THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

December 25, 1948

DUTCH AT IT AGAIN

AN EDITORIAL

British And US Policy

A Former UNRRA Worker

The Interim Period

Chinese Professor

Holland And Indonesia

Andrew Roth

FOREIGN TRADE REFORM

AN EDITORIAL

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

Nanking Waits

To The Editor:

Nanking is one of the six ancient capitals of China. Its population in 1927 was less than 400,000 but now has been increased to 1,300,000.

As a result of the drastic development of the military situation north of the Yangtze, the people have become panic stricken. The super rich and the dependents of high officials have flown to Taiwan, Canton and America long ago. Recently, dependents of ordinary and lower Government officers have been ordered to return to their native towns. In Nanking there are over 500 Government organs. The Nanking-Shanghai railway station is jammed with refugees.

Within a 120-li radius around the city, six military directing offices have been set up in order to defend the city should the emergency arise. At the front gate of the official residence of the Generalissimo, a pillbox has been built. It may be recalled that some two years ago when the Kuomintang-Communist Political Consultation was unsuccessfully concluded, President Chiang swore to his intimate subordinates that he would fight the Communists to the end.

It is reported that several months ago the Government military authorities had decided to adopt the "Three-N and Three-S Policy" which means that if necessary, they would relinquish "North-East (Manchuria), North-West and North China" and safeguard the iron defense line of the Yangtze River to hold "South-West, South-East and South China" and await the outbreak of World War III expecting it to bring about the revival of China.

Following the currency reform on August 19, the people of Nanking have had to undergo a bitter struggle for food. Today they have to flee for their lives.

Despite the constant denials of evacuation, the activities of the USMAG seem to have been paralysed. In former days their jeeps were often to be seen at Hsuanwu Lake, Chungshan Mausoleum, Confucius' Temple and other scenic places, but in recent days they are seldom seen anywhere.

Generally speaking, the people of Nanking feel that unprecedented tragedy is awaiting them and the city is, as it were, on the Eve of the Last Day.

MARK M. LU.

Nanking
December 8, 1948

Must Stay

To The Editor:

At present the KMT Government is facing an unprecedented crisis. Even high officials have lost their confidence in suppressing the "Red Bandits."

In the past two weeks, the military situation has become even more critical. Officials in Nanking are greatly disturbed by the sudden attacks by the Reds on strategic points along the Yangtze River not far from Nanking. They cannot but plan an evacuation and move to a safer place—the far south. According

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to a semi-government report, the new capital will be Canton.

This report was immediately denied by the government. But from the *China Daily Tribune* of December 5, we learned that 100,000 dependents will leave Nanking within this month. The paper described it as "China's biggest organized evacuation in history." Seeing the alarm and disturbance among the government officials, the rich inhabitants in Nanking and Shanghai are also preparing to take shelter in Canton, Formosa and Hongkong.

Our school, Honan University, was compelled to move to Soochow only five months ago. We have not yet been settled properly. Are we now to go further south? In my opinion, we should not. We are only poor students and professors who do not enjoy great prosperity. We need not fear the Reds. From the *Ta Kung Pao* I learned that others share my opinion. The presidents of national and private universities in Shanghai have decided to remain where they are and not to move any further. Even if we were to move south, who can guarantee that we will not starve living in a much smaller government area, or that the final victory will favor the KMT Government? No one can.

The influence of the Reds has penetrated into every corner of China while cities after cities and provinces after provinces are falling to their hands. They are not as well equipped as the Nationalists, but they always defeat their opponents. Why?

The recent American aid seems to be of little if any help at all. The American Government has lost its confidence in the KMT Government. They do not want to throw their money into an abyss.

We do not know how the situation will develop in the next few months, but judging from our past experience, we know that the fate of the KMT Government will soon be sealed.

In short, in a war between feudalism and anti-feudalism, real democracy and false democracy, progressiveness and degeneration, I see no reason for escape. We should remain where we are.

C. P. TUNG.

Soochow
December 9, 1948

Life in Kansu

To The Editor:

There are two important political groups in Kansu—the CC clique and the Youth Corps. These two groups are constantly attacking each other, and due to the unhealthy and corrupt personal system of government in Kansu today, chiefs of districts, or schoolmasters are always protected by one or the other of these two groups no matter whether the individual is good or bad, educated or ignorant. The real victims of this kind of government are the people.

Before August 20, the "fapi" had been suffering from very severe inflation while prices were rising by the minute. There was introduced in Kansu the ancient Chinese trading system, bartering. Private schools paid teachers in flour and factories paid laborers in rice. Those who worked in the government offices, minor officials, were hard hit for they were the salaried class. Silver dollars, "yuang-tai-toa," which were used widely, kept up with commodity prices. The highest officers ordered their servants to buy these silver dollars for them from the *lao pai hsing* who were forced to bring out what little sums they had been hoarding in order to buy vital commodities. Officials, through their servants, did not hesitate to use any means to squeeze these silver dollars from the common people—threats and blackmail were the practice.

When the Government introduced the new currency, its "last trump card," conditions went from bad to worse. Hit by the new economic policy, factories stopped working, shops closed their doors, and the market became confused. Civil servants and teachers were not paid, and this group became the scapegoats. The people tightened their belts.

In order to strengthen the military units, the Government found it necessary to collect heavy taxes from farmers, extra taxes from those owning houses, and many other nameless taxes. Conscription became more active, with the result that many farms were deprived of help needed to cultivate the crops. When will this tragedy end?

N. M. P.

Lanchow, Kansu
November 30, 1948

Looking Ahead

To The Editor:

This is a very severe winter both with regard to the weather and the present situation in China. As the lingering autumn has passed and the fallen leaves have been swept away, even all of North China like the Northeastern Provinces will soon be liberated by the Communists. The political temperature as well as the inclement weather both become colder and colder as the season advances. There is a dreadful silence in the miserable country. Only the North Wind blows hard, in response to the bursting sound of guns from many battlefields where the Civil War goes on. Thousands and thousands of people with no food to eat and no clothes to put on struggle hard between life and death.

Due to the coming of winter, a straight rise in prices has overawed us into a state of submission. We cannot help but live in poverty. Some feeble-minded men are taking a gloomy view of the present situation. They say that wide-scale starvation will come. Of course, hunger is inevitable in war time, but it is very temporary just like the cold of winter. In this changing age, the old and rotten will die completely while the new and fresh will grow; just as a newborn spring succeeds a bitter winter. Let us say confidently with Shelley: "If winter is here, spring won't be far behind."

CHANG JUH-HONG.

Tsing Hua University, Peiping
December 5, 1948

Cold Blooded

To The Editor:

We the common people were all anxious to partake of the fruits of the currency reform but the result proved to be just the opposite. This has been because the KMT has been deteriorating both in military and internal affairs.

For instance, there is the case of the branch manager of the Central Bank in Kweilin, according to the news reported in different Kwangsi daily papers. This man used his special privilege to collect about 30 tons of nickel while the people had no knowledge of the intended circulation of nickel coins until after August 28 when the Kweilin branch of the Central Bank announced the news. Before this date, this corrupt manager had sent people out to gather in all the nickel they could from the nearby villages. Meanwhile, the order validating nickel had been issued on August 21 by the Government. What a cold blooded manager!

December 11, 1948
Kweilin, Kwangsi

T. K. WONG.

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Thanks

To The Editor:

Not many weeks ago, when you had published my letter in the August 31 issue of the *Review*, I received a letter from an overseas Chinese, Mr. Henry Louis, who now lives in Oakland, California in which he said that he would send me a dictionary which American college students now use. Recently, this dictionary, Webster's Collegiate Dictionary, as well as a chemistry book were received by me. Both the dictionary and book are of great value to me. This is an open letter of thanks to this kind friend.

Chungking
December 6, 1948

WEI DAW JYH.

Peaceful Life

To The Editor:

After the Japanese surrender, we hoped to have a peaceful and comfortable life. But the facts have not corresponded with our hopes. Since VJ day and the beginning of the Civil War, thousands upon thousands of our people have been suffering from the high cost of living and hundreds upon hundreds have died under the relentless fire of war.

Wars result in death, ruin, demolition and annihilation. China is the China of all the Chinese, not of one or two persons. We should not allow anyone to destroy her. It goes without saying that the best way to stop the Civil War would be the forming of a coalition government. After three years of Civil War, it is a universally acknowledged fact that the country has been reduced to an "inferno of fire and destruction inflicting untold sufferings on the people."

What are you fighting for, the people or yourselves? The people we know want peace, not war. Evidently then, you are fighting for your own gains. You may cry "Democracy" and "Constitution" but that has been "hanging the head of sheep and selling the flesh or dogs."

We should follow the university professors of the entire nation in asking the leaders of both parties to put an end to the Civil War. We students are the pilots of China. Let us remember that the "May 4 Movement" which took place 30 years ago was brought about by students in Peiping. It left a glorious page in the history of China; it was the commencement of our spiritual emancipation. We are all proud of that movement. We want to show our power once more in this present crisis and put an end to the Civil War.

There is a saying "The people are the foundation of a country." It is only the party which is obedient to the will of the people that can attain victory. Both the KMT and the CP should realize that the 20th Century is the century of democracy and not the century of autocracy and dictatorship. The one hope of all the Chinese people now is to have peace. The chief work of China's patriots, therefore, should be to guide the people toward peace and order.

K. K. CHIA.

Soochow
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New Legal Tender

To The Editor:

Two months after the introduction of the new currency, when it has turned out to be a complete failure, it is interesting to know some stories in connection with the new legal tender.

In Kaiping, hometown of overseas Chinese and not far from Canton, where Hongkong money has long been the medium of transactions, the people looked upon the new currency with apathy. As a result, they discriminated against the GY no less than the CNC. Strange to relate, some merchants even appreciated the old money more than the new and often quoted higher prices in GY than in CNC. These unscrupulous merchants simply made capital of the new currency and the Government as well.

While in Canton many measures in connection with the currency reform had been put into execution—economic police to check blackmarket dealings, price ceilings, etc.; it is interesting to find that these measures did not go beyond the bounds of Canton city. In Kaiping, for instance, there were no economic police and the common policemen, who were quite familiar with their fellow townsmen, were unable to take up these duties. As to price ceilings, there was no such thing here. As a result, blackmarket exchange of foreign currency still existed though more secretly and merchants marked up their prices to their liking thus making the cost of living here even higher than Canton.

Mid-October witnessed a serious buying spree. The merchants in Kaiping, being unrestricted by economic police and price ceilings, were able to advance their prices wildly. One characteristic of the buying spree was the rush for gold, since Kaiping is the hometown of overseas Chinese and gold has a special attraction for them. People were willing to buy at any price until finally gold dealers suspended sales altogether, preferring to keep their gold intact rather than exchanging it for the unreliable paper-money.

The recent deterioration of the military situation has completely shattered the people's confidence in the new currency. Confronting the menace of sky-rocketing prices, the *lao pai hsing* have been thrown into a deplorable plight. What will the Government do to cope with this utterly hopeless situation?

ROBERT K. HSU.

Kaiping, Kwangtung
December 9, 1948

Present Conditions

To The Editor:

After having read an article entitled, "Don't Spike Peace Talks!" published in your esteemed magazine, I am able to grasp the present situation more thoroughly. As a matter of fact, our Government seems to rely entirely on an extension of American aid in order to carry on the Communist-Suppression Campaign. The showdown battle between the Government and Communist forces in Hsuchow lasted three weeks, thanks to military reverses sustained by Government troops. Panic is prevalent on all fronts. According to the press, Major-General Claire Chennault is willing to lead a new Flying Tiger task force to combat the Communists, if Nanking and Washington approve. Madame Chiang is expected to set out for America to discuss urgent aid both in economic and military fields. Madame Chiang already has made a stirring appeal to America that if American aid is not forthcoming, China's destiny and that of Washington as well will be intolerable. V. K. Wellington Koo, Chinese Ambassador to America, asked for

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further aid to China also. It is beyond any doubt that the Government will become an American satellite as President Chiang was recently warned in an open letter from a group of Nanking professors.

There are few people who support the idea of ending the Chinese Civil War by starting World War III; very few people believe that communism can be annihilated with dreadful atomic bombs. How ridiculous such views are! I am of the opinion that World War III will never be caused only by the China problem. As far as the international situation is concerned, the Soviet Union leaves no stone unturned in paving the way for entering into peace talks with America, and is reluctant to participate in a bloody war.

The Government should solve its problems and not do this by adopting a *laissez faire* policy toward the so-called "favored families" and a suppression policy towards the people. There is no denying the fact that the famed tiger hunter, Chiang Ching-kuo was unable to arrest big merchants and manipulators. The Government has not alleviated the peoples' suffering in any way during the last eight years, and has, in fact, curtailed the activities of the people. For example, the Ministry of the Interior has banned the publication of certain periodicals quite arbitrarily. The Government unreasonably regards people who criticize the present chaos and confusion, corruption and nepotism as rebels and enemies who must be apprehended.

The Government should begin immediately by improving its policies of governing the people. There is no time to cry over spilt milk.

C. K. HU.

Ningpo, Chekiang
December 10, 1948

Wants Peace

To The Editor:

The emergency of the Civil War fills me with anxiety. Thousands of our countrymen are being killed on the battlefield and vast fields are being ruined by artillery fire. The war has thrown everything into confusion.

We must reflect why it is that we are good for nothing; why we are inferior to others in everything; why we have deteriorated to this state. In a word, this alone is a reason for civil war.

Our country is falling dangerously under the rule of both the Nationalist and the Communist governments. Since the Civil War is approaching the capital of China, the people are living in fear of their lives since they do not know just what the Communists will do. In recent years, the American Government has supplied Chinese troops with abundant ammunition which has helped to prolong the Civil War. According to the papers, General Chennault will lead an aerial fleet from America into our country in order to kill more people. If Russia too, should decide to send an aerial fleet in the same way in order to help the Chinese Communists, all of us will be sacrificed to the heavy bombs. How cruel they are. One may say, "America wants peace, not war." Why then should they propose such a thing. Does America want to start a third world war?

Aside from some high generals, the Chinese people have no desire for war. We pray earnestly to both America and Russia not to pour more oil on the fire. If the American and Russian governments were to help by mediating between the Chinese Government and the Chinese Communists instead of supplying both sides with ammunition, I believe a good result will follow.

THOENG YUN LING.

Nanking
December 9, 1948

Has Doubts

To The Editor:

I have my doubts about the war situation in China.

I am doubtful about who is the foe of the Chinese Communists. If it is the people of the Republic of China, or to say the least, the officials of the Nationalist Government, why should the whole responsibility rest on the shoulders of Generalissimo Chiang Kai-shek alone? Why should the Generalissimo say that he will fight even if all die while he himself lives alone? Why shouldn't the Generalissimo rest a while and let somebody else take over responsibilities and lead the war?

If it is Generalissimo Chiang Kai-shek himself who is the foe of the Communists, then why should hundreds of millions of our innocent people be sacrificed for just one person?

I am still doubtful.

K. Y. N.

Shanghai
December 18, 1948

Accident

To The Editor:

I started for the American Library yesterday with no other purpose in mind than to read your *Review*.

Suddenly, as I approached the American Consulate, I was startled by a shrill cry. A little ragged girl, not quite eight years old, was crushed by a jeep car of military police and had uttered her last cry for help. Alas, we all saw how that little girl was crushed. After the criminal chauffeur had driven away, an old man, eyes dimmed, broken hearted and his mind a blank, gave free vent to his tears as he bent to pick up the little corpse and bear her away. What surprised me most was that the constable there paid no attention to the accident and allowed the cursed jeep of the military police to slip away. It is not in this world that Heaven's justice ends.

As I recalled the black misery, I could not help but weep for the unfortunate little spirit's death. Now I can think of nothing to subdue my feelings but to write you of this fact. Does it matter or is it just one little girl's life? Although what I have seen is such an ordinary occurrence, yet it seems to me that our government does nothing to protect the people.

LONE-PORTIA.

Chungking
December 8, 1948

Farmers Cooperative

To The Editor:

There were several articles published in the *Ta Kung Pao* last week discussing the problems of the Chinese rural village. It would perhaps seem a little out of date to discuss such a problem now while the Civil War is spreading widely. Yet as history shows, the overthrowing of every dynasty in the past was more or less due to this very problem. In my opinion, the solving of this problem is the first prerequisite for winning the war.

In order to settle the problem of the rural village, some people call for the intelligentsia to go to work in the countryside. Actually this is the only way along which the rural village may be successfully rehabilitated. Many of our rural brethren are longing for and would welcome the intelligentsia who would serve them practically. This may be testified by my own experience.

Last spring I was ordered to work in a village named Re-char-Par as a director in a newly organized silkworm raising cooperative in Chekiang province. It was my job to teach the farmers how to use a diluted solution of bleaching powder as an instrument of raising silkworms; direct them in building special rooms for the worms; feed the worms with mulberry leaves in the proper way; and as the worms grew older, to teach them the correct method of handling the worms during the various stages of development, especially during moulting and on rainy days; in general, to improve their old-fashioned ways.

Chinese are known to be somewhat reluctant to give up their old ideas, but in my opinion this need not be the case. On the contrary, I think they are very obedient and are ready to accept advice provided you can explain the whys and wherefores. Besides they are most appreciative and hospitable.

One evening I intended to visit the worms of several farmers. My host pleaded with me not to do so, for according to custom, most peasants denied the visit of strangers fearing that their worms would die of being seen. But I ignored his advice and to his surprise, every peasant welcomed me hospitably.

The peasants there had a bad habit of putting the worms in the sun when they were in a sleeping position for the purpose of inducing moult. Most worms died because of this. However, after I pointed out the ill effects of this method, it never occurred again.

The peasants had great confidence in my words and willingly did whatever I bade. They honored me as an "Idol of the Silkworm," for their worms were healthy until they grew old. They heartily invited me to look over their worms and would feel unhappy and uncertain if I should fail to turn up one day.

The average cocoon's harvest for that season was 20 kg per sheet paper of silkworm eggs, about 1.4 gr. in weight. Although it was by no means the very best result that could be expected, it cheered the peasants for they scarcely ever obtained such a heavy harvest in the past. One old woman alleged that it was the first time she had witnessed a full crop of cocoons in that village during her lifetime.

I stayed there for two whole months. When I left, the farmers presented me with six cocks and a hundred eggs and implored me over and over to "Come here again next year, sir."

All my schoolmates who were ordered

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to the same type of work assured me that their reception in the various villages were identically the same as mine.

I am certain that if the intelligentsia go to work in the countryside, an immediate renaissance of the rural village may be hoped for. Moreover, the intelligentsia, knowing how eagerly the farmers await them, would willingly offer their services.

It is well known to everyone now that in order to win the Civil War, the support of the people has to be gained, which means that the problems of the rural people have to be solved and not only those of the minor businessmen and the bureaucracy.

I suggest to our Government to make an immediate balance between the military and political programs. As Dr. Baker said, "Though the task of rehabilitating rural villages cannot be carried on in war regions, there is still a large portion of this country unaffected by the Civil War. We are still able to perform a great many important deeds in such territories" (*Ta Kung Pao*, Dec. 4). I hope that my suggestion will not be considered a little too late.

D. J. CHOW.

Wan-ting, Kiangsu
December 7, 1948

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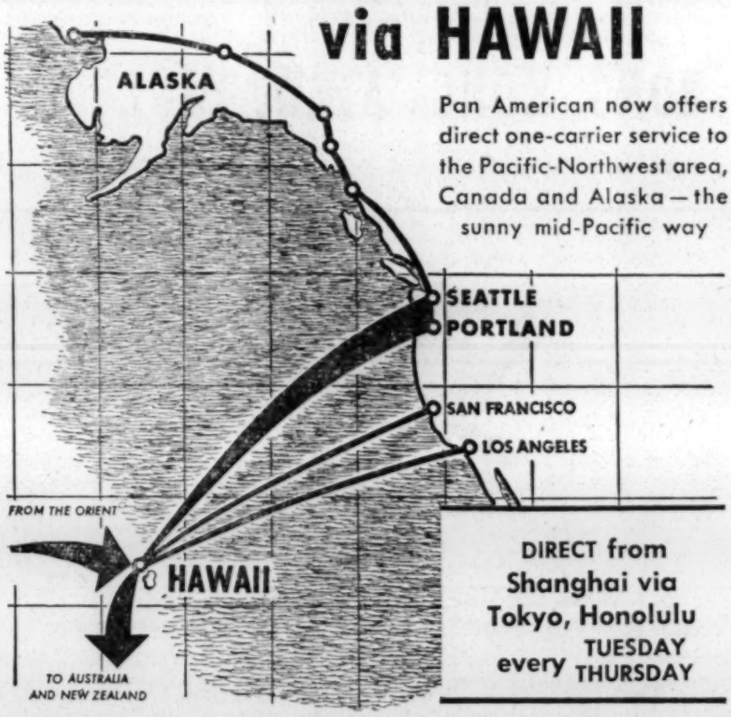

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Armed Robbery

To The Editor:

This is to tell you of an armed robbery case which occurred a few days ago in a village called Kanchiatai near the city of Lihsien, Hunan.

A company of armed soldiers (who are nothing but bandits) have been causing serious disturbances in Kun-an, a district in Hupei province, for a long time and were recently persuaded to surrender their arms to the Changteh-Lihsien Garrison Headquarters. They are stationed in the above-mentioned village for training purposes. Owing to the fact that the company is composed of a great many "professional" bandits, they are of course lacking in discipline and often cause trouble to the innocent country people. One night, about 20 of them carrying arms, entered a house and searched it. The members of the family were bound. In the family, there was a newly-married lady who, it is said, possessed a large dowry. The bandits knew this in advance and therefore demanded that she should surrender her gold rings and other precious articles. At first the lady refused to do so in spite of their threats until at last the latter tried to pour kerosene on her hair and threatened to set fire to it.

The soldiers robbed the lady of four gold rings weighing about one Chinese ounce, several hundred Gold Yuan and many articles of clothing, leaving a few empty trunks in her room.

The next morning members of the family reported the case to the magistrate of the district government, who seemed reluctant to deal with them simply because he was fully aware that "Might is Right."

Not long after, a group of gentlemen were requested to see the company commander and to report on the case. They knew that if they were to mention the case to him, they would at first have to offer him something of practical use in order to avoid putting him out of temper. So they offered a few pigs and sheep to the company in the name of comfort. When the whole story was told, the commander laid stress on his difficulty in controlling his soldiers but failed to mention a word about investigating the case or checking his soldiers' wrong-doings, which hints at similar cases happening in days to come. It goes without saying that country people suffer the most.

WHIMER LI.

Lihsien, Hunan
December 5, 1948

People's Misery

To The Editor:

Owing to the Civil War, many people have sacrificed their lives and have had their properties destroyed. Our Government does not care for the refugees but only pays attention to the military. Not only have the military failed in North China, but so have the economics of the country. Moreover, confusion and unrest stalk the social structure while corruption and inefficiency continue to sweep through the realm of officialdom.

Many refugee students have escaped from the liberated areas in order to continue their studies. Though the Government has founded a temporary middle school for them, they are hardly able to keep themselves from starvation and cold. They still wear summer clothes.

Our schoolmates in Changsha are making endless sacrifices so that refugee students may live. But it is not everyone who does sacrifice all he can. We must know that a sound order can never be built upon a foundation of people's misery.

CHEN CHI-PIN.

Hunan
December 12, 1948

THE CHINA WEEKLY REVIEW
密勒氏評論報
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After The Interim Period

THIS week's issue of the *Review* carries an article, entitled "The Interim Period—And After," written by a local Chinese professor who was moved to set down his views by the article written by "American Businessman" which appeared in the December 11 issue of the *Review*. The Chinese professor, whose desire to remain anonymous beyond this brief description will be understood by any who read his article, deals both with the possibilities of an interim period and with what he thinks may take place here after such a period has passed.

Naturally, we share his concern over the prospects of an interim period during which considerable destruction might occur. We have already discussed the possibilities of such a situation in these columns, in addition to carrying "American Businessman's" views on the same subject. However, our professor takes a somewhat different tack. He believes that local Chinese business and industrial circles are well aware of the uncertainties and have already begun to make certain plans. He further feels that Shanghai's laborers can be counted upon to protect the factories in which they work to the best of their ability. He further thinks that the Communists will have learned a lesson from their experience in Tsinan, where they were rather slow to enter the city after organized resistance collapsed, and will march in quickly to preserve order after the authority of the outgoing regime has collapsed.

The professor, however, is rather concerned over the possible behavior of Nationalist troops during the period—he calls it the first stage of the interim period—when they realize defeat is inevitable. At that time, he feels, they may duplicate the performance of Nationalist troops in Tsinan, according to reports already published in Chinese magazines and newspapers. The defenders of Tsinan began to roam the streets of the city in gangs, halting civilians and forcing them to give up their money and other valuables and, finally, to exchange clothes. We have also heard on good authority that just before the Communists entered Tsinan some of these scared Nationalist soldiers became almost comical, if not pitiable, objects, forcing themselves upon groups of civilians and alternately ordering and begging the civilians to "adopt" them into the family, calling them "brother" or "cousin" when the Reds came so that they could pass as civilians.

Be that as it may, disorganized soldiers in this area will constitute a problem if the Communists actually do succeed in getting this far and then in fact do force the Nationalists to retire from this city. As we have said in the past, we are not altogether confident that they will arrive. We now have a new garrison commander whose forces, it is said, are strong enough to cope with any eventuality. Meanwhile, several local luminaries among our officialdom, such as Pan Kung-chan, chairman of the City Council, have been busy organizing themselves and inculcating the Shanghai populace with strong anti-Communist indoctrination. Perhaps they will succeed so well that the city will be safe from Communist attack for all time. However, so long as the possibility of an interim period and, following that, a change in regime exists, we might do quite well to enumerate the possibilities and see how we stand.

Our professor, discussing the prospects for life under the Communists, urges foreigners to remain calm, assuring them that they will be able to do business with a Communist regime. He feels that if the Communists should eventually succeed in ousting the Kuomintang they will not be the radicals which many people, both here and abroad, are inclined to think of them as being. Reforms, he says, will certainly come, but they will be slow. At least reforms aimed at transforming China from a somewhat feudal state to a socialistic or communistic state will be slow. The first reforms, he believes, will be along lines of cutting out corruption, increasing efficiency, looking after long-neglected projects such as flood control, land reclamation, extensive road and railway building, etc. Such "reforms", he points out, are not those of crusading communists, but of ordinary reformers bent on improving the political, social and economic conditions of the country.

As we understand matters, the expression of such an opinion does not mean that the professor thinks the Chinese Communists are not communists. Most intelligent people no longer consider the Reds as simply "agrarian reformers" as was the case some time ago. They are communists all right, but they are also smart and realistic folk and understand the basic problems of China as well as anyone else. The professor touches on this when he says that China has had advocates of drastic reform in the past and that even if they succeeded in implementing their new ideas, they usually were shortlived. Sometimes, he points out, these reforms died with the reformers, while upon occasion the changes aroused such popular opposition that they had to be abandoned.

We think the professor has raised a very interesting point and that there is considerable evidence to support his contention. The land reform program enforced by the Communists in

the areas they control would seem to be a good example. As far as we know there has been no attempt in recent years to establish collective farms to any appreciable extent, and we have never heard of a state farm in Communist areas. Obviously, any communistic or socialistic program must include collective farms and, ultimately, state farms in its program. What the Chinese Communists have done, it would seem, is to move away from such a program, explaining all the while that the Chinese countryside was not yet ripe for socialization.

Except for areas where there have been periodic excesses, the pattern has been first to reduce tenant farmers' rents to a reasonable figure, usually from 50 or 75 percent of the crop to a mere 25 percent or so. There's nothing communistic about this. In fact the KMT for many years has had a law ordering that the maximum rent figure must not exceed, we believe, 35 percent. As we all know, however, this law, like so many other ones, exists only on the books, having never been enforced. The next step has been to divide up the land of the so-called big landlords. The idea of what constitutes a big landlord varies in different areas, depending upon such things as soil fertility, etc. This might be considered a communistic step were it not for the fact that the land so divided is actually physically divided, with new boundary lines laid out and certificates of ownership granted the new land holders. Certainly any further parcelization of the land is not in keeping with communist tenets.

However, all these things have one effect. They make the peasants happier as life in the rural areas becomes easier. This in turn gains support for the Communists in their war with the Kuomintang. The Communists themselves, we are told, admit that such practices are not necessarily steps toward socialism. However, they are supposed to point out that the first step must be to ease the condition of the peasants. Only after their main grievances are settled and their burdens lightened, will it be possible to begin a program of socialism, presumably with the end result being state ownership of farms.

If such an explanation of Communist policy in the countryside is correct, it makes our professor's statement that the Communists are realistic enough to understand that change must come slowly, sound extremely shrewd. The professor guesses that socialism in the city will be about as slow in coming as in the countryside. It is with this idea in mind that he calls on China's "foreign friends" to stand by, assuring them that they will be able to carry on activities for many years to come. China, he says, will need the aid and advice of foreigners for a long time and, presumably, the realistic Chinese Communists will therefore refrain from doing anything calculated to drive foreigners away from China.

We don't claim to be authorities on China, especially of the variety that can see into the future. All we can do is talk to everybody we can get to stand still these days and get their opinions. Out of all this, we may get an idea or two which may or may not sound reasonable. In any event, the professor's remarks and those in similar vein which we have heard from others sound rather sensible to us. We'd like to hear some more views on this question of what will happen when we have a change of government. Even if we don't have a change, we should learn something from such a discussion, and if we do have a change, we may be better prepared for what is coming.

Foreign Trade Reform

ON MANY occasions, this journal has asked for a change in the present foreign trade system. As matters stand today, it should be obvious to everyone with some knowledge of trade and industrial production that, by sticking to outdated regulations and restrictions, the Government is bound to hamper what little trade can still be carried on.

It is a well known fact that last week the usually wide gap between the Exchange Certificate rate and the blackmarket dollar rate narrowed to such an extent that the difference was smaller than ever before. It has been said that the Government itself was a buyer and that, by purchasing foreign exchange from exporters, the Central Bank could refill its reserves in hard currency, but no matter whether this was the case or not, the extremely small difference between the two rates showed that, in fact, the Certificate is an outdated affair. Importers no doubt are willing and able to obtain foreign exchange on the open market.

Nor can there be any question right now of a firm's importing more than it can be sure to sell. Businessmen state, and the Export-Import Board should know, that for more than four weeks import quotas have been offered to local importers without any premium; in other words, formerly people who for one reason or another had been able to obtain quotas which they could not or would not use for themselves, had good chances to sell them to other importers, whereas at present, they are glad to get rid of them without the slightest gain. The reason is evident; as no one can foresee what may happen to Shanghai's trade and industries, importers are curtailing business quite voluntarily.

Originally, the Export-Import Board was established with a view to fostering exports and curtailing and controlling imports. At present, it cannot foster exports and it need not control imports. Indeed, there is no necessity to keep the Board working, as all that is needed under prevailing conditions is to establish a list of pro-

FAMILY LIFE IN GERMANY

This cartoon symbolizes the division of Germany into the four occupation zones by showing a German family separated among four parts of the same room, each member holding the flag of the occupying power.

hibited imports and to tell importers to find their own foreign exchange.

Let us repeat the facts:

Obviously, there are more quotas than needed, at least in some lines. Also, there are shortages in some other fields. The difference between the official Certificate rate and the black-market rate is slight. By waiting for quotas and licenses, importers are losing good opportunities to buy at cheap prices, with the end result that they spend more foreign exchange than would have been the case if they were free to purchase where and when they wanted.

Eventually, if China's trade is to prosper, such antediluvian institutions as the Export-Import Board are bound to disappear and antiquated regulations must be lifted. What the State needs is a guarantee that the Treasury will obtain foreign exchange, and it can reach this goal without adhering to outdated rules.

At present, exports are still possible, but with the military situation deteriorating, a decline in supplies from the interior must be anticipated. Manufacturing, too, is still possible, but when imports depend on red tape and bureaucratic decisions it may very soon become extremely difficult to produce the right things at the right time and at normal prices. To normalize matters and to be prepared for emergencies, trade and industries must be free and must be put into a position to act in a business-like way. There seems almost no reason for the Government to uphold the prevailing system, while there are many and good reasons to alter a scheme which is outdated, slow, unpractical and frequently unrealistic. Businessmen, Chinese and foreign alike, believe that a radical change is due and that it should be carried out today rather than tomorrow.

During the past few weeks business has suffered tremendously, and contradictory statements by outstanding personalities have rendered it very difficult for many firms to decide on future activities. This adds to our feeling that a reform of the present foreign trade system is essential and almost inevitable. Such reform would help keeping factories running and would guarantee that no foreign exchange is wasted. It would facilitate the work of businessmen without harming the interests of the State. It would create new life for trade and industry in spite of the obstacles confronting both. The decision, we believe, should not be postponed.

Dutch At It Again

THIS week the Dutch resumed "police action" in Indonesia which, according to Dutch spokesmen, became necessary because of a variety of reasons, such as the bad faith of the Indonesians, their toleration of "extremists" in their midst, and so on and so on.

Despite all such excuses, it seems that this latest military move is just another chapter in the story of how a bunch of stubborn Dutchmen have planned and plotted to retain their colonial grip in Asia. Along with the French in Indo-China, the Dutch in Indonesia have piled up a record of rotten colonial administration scarcely equalled in modern history. The Dutch have been in Indonesia a long time and have contributed precious little to the country, although the country has been made to show a steady profit for the rulers.

As we have pointed out before, the problem in Indonesia is very simple, despite the fact that the Dutch have done their best to complicate matters by allegations of infringements of agreements, violations of truces, and the like. The Dutch should go home. They have no business in Asia, except as a trading nation. Talk about the inability of backward colonial nations to govern themselves is pure eye wash. Certainly the colonies in Asia are backward, but what country wouldn't be backward if a foreign despot has been sitting on its neck for countless years.

Really, the whole postwar history of Holland's attempts to reimpose its despotism upon Indonesia is a shameful story. However, there may be a bright side to this last "police action" (Dutch terminology for "invasion") in that it may so arouse the Indonesians that they will not come to unwise terms with the Dutch. If that be the case, final Indonesian independence is assured.

At present, the Dutchmen are financing their military efforts in Indonesia with American dollars, secured through Holland's participation in the Marshall Plan. Unfortunately, the United States must accept its share of the blame for Dutch actions. American Lend-Lease military equipment was used to outfit the Dutch soldiers originally sent to Indonesia to fight the Japs. However, the United States had already beaten the Japs by the time the Dutch forces arrived and so they were free to engage the Indonesians. It is an ironical fact that the only fighting the Dutch seem capable of engaging in at all successfully these days is of an aggressive nature. They couldn't defend Indonesia against the Japs and never could have expelled them. Neither could they defend their own country in Europe.

"IMMOVABLE OBJECT"

Messner in The Rochester Times-Union

The world plugs its ears as an irresistible force, the US program to free Korea, hurls itself at an immovable object, the Russian plan for a communist Korea.

On two sides of the world somebody else has had to save their bacon for them.

* * *

WHILE it is impossible for the Dutch to win in Indonesia in the long run, they are quite capable of imposing many hardships on the people for some time to come. The only way that fighting can be brought to a close and the Dutch forced to alter their ways, is through pressure from the United States. America has it in its power to settle the colonial wars in both Indonesia and Indo-China. Holland and France are receiving large amounts of American dollars and goods under the Marshall Plan. Without this aid their home countries would be faced with extremely unpleasant futures. Without this aid neither of these powers would be able even to dream of a colonial war. It has even been claimed that the amount France is spending on her so far unsuccessful war in Indo-China almost exactly represents her Marshal Plan receipts. Certainly, neither of these impoverished lands could undertake military campaigns in Asia without Marshall Plan aid.

It seems to us that the present is a propitious time for the United States to reconsider the entire situation in Asia. American policy in China is now in a period of suspension, pending a change which is being dictated by the Chinese people. Is not now a good time to change our entire Asia policy? For three years the United States has consistently been backing the wrong horse in nearly all parts of the Far East. America's "side" appears about to lose in China. As soon as this takes place, the French, we imagine, will begin packing their bags in Indo-China. The Dutch may be able to hold on for some time yet, but their days are nevertheless numbered. The age of white overlordship of most of Asia is about over.

If the US wishes to get in on the ground floor in this part of the world and thereby be considered a friend of the future rulers of Asia, it must act now. Delay will be costly, and may even result in Asia being forced to orient itself toward Moscow. If only for materialistic considerations, America should at last begin championing the cause of independence movements.

25 Years Ago in *The China Weekly Review*

Teachers Have Difficulties

December 22, 1923

The teachers of the public schools in Canton refuse to teach classes because of the failure of the government to keep its word in paying them a little. The government, however, has assured the higher school teachers that they may receive something, perhaps a week's pay, before Christmas, promising them that their many months' arrears will be attended to as soon as peace is near. The primary school teachers will receive the first half of their September salary within a day or two after the fifth of December. The teachers are petitioning the government to let them have their September pay in full during December.

* * *

Protective Societies

In the early days of the Chinese Revolution in Canton, 1911-1912, the shops in Canton were more than once the free commissariat of the combatting forces, whose appropriation of articles did not necessarily confine itself to food and other military provisions. To protect themselves many local business men then sought co-operation with one another and thus formed among themselves a sort of personal alliance for mutual protective purpose. Upon gradual restoration of order in 1912, the more enterprising and progressive merchants in Canton, headed by Chan Lim Pak, Chinese agent of the Hongkong & Shanghai Banking Corporation in Shameen, applied for permission from the central government in Peking to incorporate themselves into a military unit with privilege to carry arms for local defense and the maintenance of law and order. The Peking Ministry of War sanctioned the organization, providing for military training of civilians in Canton in accordance with its regulations.

10 Years Ago In *The China Weekly Review*

Axis Bloc In Orient

December 24, 1938

Through the adroit use of intimidation and the mailed fist, the Reich-Italian-Japanese "Axis" has become one of the major factors in the complex interplay of forces in the Pacific area.....

The ties binding the three Fascist Powers in the Orient are apparently still fairly loose. All there are united under the ambiguous Anti-Comintern pact, which is seemingly directed as much against Red Russia as against the very conservative Albion.....

But in allying themselves with Japan, the two Fascist Powers will be guilty of a shameful betrayal of China, with which they were only a year ago on the most intimate terms.

* * *

Overseas Chinese Indignant

Indignation at the abandonment of Canton by its Chinese defenders in the face of the Japanese invasion in October pervades letters from overseas Chinese to their relatives and friends in that city, Japanese gendarmes in Canton revealed last week, according to *Domei*.....

Letters from Hong Kong, Macao, French Indo-China, and other places with large Cantonese communities expressed indignation at the steps taken by the Chinese military who evacuated the city leaving civilians to suffer. Large quantities of Communist and Kuomintang propaganda were seized from among the unclaimed letters.

Public opinion against Gen. Chiang Kai-shek is running high in southwestern China as a result of the action of the Kuomintang command in starting to demolish a motor highway linking Canton and Wuchow, western outpost of Kwangsi, according to the same source.

THE INTERIM PERIOD---AND AFTER

PUBLIC ORDER CAN BE PRESERVED AND PROSPERITY WILL FOLLOW

Chinese Professor

THE article by "American Businessman," appearing in the December 11 issue of the *Review* has caused considerable comment among various local circles. As a Chinese professor, I would like to present a few points for the consideration of your American readers.

"American Businessman" asked how public order could be preserved during the interim period in Shanghai and offered several suggestions such as the cooperation of Chinese and foreign businessmen, enlistment of labor support, etc. I think these are all good ideas and think that the American, British and other foreign chambers of commerce should initiate talks on this subject with the Chinese businessmen and industrialists here. The reason why the foreigners should initiate the discussion is simply because it is not safe for Chinese to begin talking in such vein just now. The authorities would be certain to view such actions with hostility and would undoubtedly term them Communist-inspired propaganda designed to weaken public morale. However, the foreigners could safely begin quiet talks with responsible local Chinese businessmen and industrialists.

"American Businessman" would learn that considerable thinking along these lines has already taken place in many Chinese circles. Shanghai industrialists have had this idea in mind for quite some time and many of them have already made arrangements with their workers for protection of factories and other installations. Shanghai's workers, by and large, can be counted upon to protect their "rice bowls." This has already been the case in some other cities occupied by the Communists.

Information Available

For the benefit of the *Review's* foreign readers I might point out that we now are in possession of considerable information about the interim period in such places as Mukden and Tsinan. We can examine what transpired in these cities and profit therefrom by making plans to avoid any of the difficulties experienced by the inhabitants of these two cities. In Tsinan, about which we know most, the interim period might be said to have been divided into three stages. The first was before the complete collapse of the Nationalist forces. During this time, all public law enforcement agencies failed to function and disorganized, demoralized troops ran through the city, stealing money and other valuables and even forcing the civilians to exchange clothes with them.

The second stage was immediately after the Nationalist defeat. The Communists, for some reason, withdrew their field troops which had been bearing the brunt of the attack and sent a special corps to enter the city and take over control. Unfortunately, there was some delay in this operation and the city was left in a vacuum for about half a day or so. During this stage, there was considerable rioting and looting which was suppressed only after some difficulty by the incoming Communists.

The third stage began with Communist assumption of control. According to reports from people who stayed for as long as a month after the Communist occupation took place, peace and order were secure, with both civilians and Red Army personnel behaving themselves well.

It seems to me that on the basis of the experience of Tsinan, we here in Shanghai need fear only the first part of the interim period, the time when there may be demoralized Government troops at large. The Communists will, I imagine, have better organization for Shanghai and will move in quickly to prevent local rioting. Even if they are slightly delayed, it is my guess that sufficient local force can be organized to prevent serious disturbances. After they are in power the Communists will preserve order adequately since it obviously will be in their interest to do so.

During the first stage of the interim period in Tsinan, the inhabitants suffered considerably. In addition to stealing money, gold, jewels and other types of small and extremely valuable items, the soldiers for some reason or other made an attempt to carry out a type of scorched earth policy. This started when it became evident that the Nationalists had lost the battle. Groups of soldiers appeared at various factories and other places and ordered their destruction. Without exception, we are told, the workers in these establishments refused to carry out the troops' orders. In some instances, they were able to persuade the troops not to break the civilians' rice bowls. Sometimes the workers were able to trick the soldiers or to compromise, destroying only some small part of the installation so that it would not function properly for the time being. However, in some cases the results were catastrophic. In one instance, it has been reported, soldiers demanded the burning of a flour mill. The workers refused to burn it, whereupon the soldiers drove the workers into the building and then set fire to it themselves, resulting in the destruction of the factory and the death of some of the workers who did not manage to escape.

Chinese Press Reports

I might say here that I am not a Communist nor am I passing out Communist propaganda. What I have reported about Tsinan has already been reported in Chinese newspapers and magazines, as well as told by several people who have come to Shanghai recently. The fact that the Nationalist troops acted so badly is not simply because they were Nationalists. Such behavior might be expected from any army that was facing certain and hopeless defeat, especially in a Civil War as bitter as the present one. Confusion, fear and hatred are not things which are peculiar only to defeated Nationalists. Neither are they peculiar only to Chinese. I might also point out here that I agree with "American Businessman" when he says that it is not altogether certain that we in Shanghai will have to face such a situation. I think that the prospect is more likely now than it was two weeks ago when "American Businessman" wrote his article, but it is not certain even now. It may be months before the Communists come to Shanghai, but I do think that it is fairly certain that they will come, especially since there now seems little hope for more American aid to Nanking at this time.

As a Chinese who belongs to no political party and who is interested only in peace and progress in this country, I am sorry that the Americans have seen fit to dispatch marines to Shanghai. While I am interested in peace and order, I think that their presence may cause more harm than good. Although Admiral Badger has announced his intention of keeping the marines aboard ship and has declared that under no circumstances will they be used to maintain order in the city, the mere fact that the United States Government has sent them here indicates a disposition to interfere with force if need be. It is, of course, understandable that the American Government wants to protect American lives in case of riots. However, even though there have been riots in Tsinan and perhaps other cities in which foreigners lived, the foreigners themselves were not molested. Certainly, the Communists, who at this point are winning and who have nothing to gain, but a lot to lose, by antagonizing the United States or other foreign countries, will not mistreat foreigners.

Since Admiral Badger has said that the marines will not land unless it becomes necessary to protect American lives and a few of the more important installations here such as the Shanghai Power Company and the oil installations, he has perhaps pointed out the

path of securing foreign intervention to some of Shanghai's more primitive gangsters. There are some groups in Shanghai, especially among the racketeering, extra-legal elements, which have not fared so well since the abolition of extraterritoriality. These groups might well view the present as a chance to recover their old position by instigating trouble of a nature calculated to cause the landing of American marines. Certainly the Communists will do nothing to provoke the Americans to take such a step. Neither will the regular Kuomintang authorities attempt any such move since a landing by foreign troops would cause adverse propaganda. However, there are elements in this city which might conceivably attempt to foment some disturbances involving foreigners, such as a molesting of American or British officials, in the hope that the foreigners would land, take control of the city and thereby protect these illegal elements from both the Nationalists and the Communists. This is something which we must all watch for and, if possible, attempt to prevent.

We can pass the interim period, as "American Businessman" hopes, "peacefully and successfully," I believe, because already many responsible local groups are discussing this problem and making plans. Workers can be counted on to protect factories from mobs, businessmen and industrialists can be counted on to cooperate with labor and with any vestiges of officialdom left here at the time to try and keep the Shanghai police functioning. We may have trouble with demoralized troops, but we hope that the warnings which the Communists have already broadcast to the citizens of Shanghai will have some effect upon those disposed toward scorching the earth or causing disorder for purposes of confusion or foreign intervention. The Communists have promised lenient treatment and even rewards for officials and others who protect property, but have warned of punishment for those who neglect their duties or who engage in disorders or other destructive acts.

What is needed now, is more consultation between foreigners and Chinese to exchange ideas, information and plans of action. This is all the help we need from our foreign friends. We do not need the American marines.

* * *

After Communists Come

I WOULD like to offer my opinions to our foreign friends, especially the Americans, about conditions here after the Communists come, if they do in fact come. There are some Americans and other foreigners today who advocate that the United States give all-out support to the Nationalist Government in an effort to make it strong enough to defeat the Communists. These same people also call for the dropping of the iron curtain if the Communists should take over China. The reasons given for this attitude are summed up in the statement that "the democracies have found it impossible to do business with the countries controlled by the Communists."

I will not debate the accuracy of this statement as it applies to Europe, although I doubt if it is entirely correct, but I can say that no one who really understands Chinese society and Chinese history can believe that the coming of the Communists will make it impossible for this country to continue friendly relations with the Western nations.

The Chinese Communists are very realistic people. Their successes in recent years demonstrate this fact. China needs many things. In fact, it has needed a revolution for a long time in order to sweep away the injustices so prevalent in society in this country today. However, as every educated Chinese knows full well, China is a country in which events pass slowly. The culture and traditions of our society are more deeply rooted than anywhere else in the world. Attempts at reform—socialization, if you like—must come slowly if they are to succeed. We have had many strong figures in the past who implemented reforms quickly and drastically at the point of the sword. Such changes were short-lived at most; often they brought revolution or suppression, because even those for whose benefit the reforms were intended were loathe to accept new ideas so quickly and therefore resisted the reformers.

The Chinese Communists in the past have attempted quick reforms and upon each such occasion have found that the opposition such actions aroused was too strong to be easily dealt with. As a Chinese who has followed developments in this country attentively, I am fully convinced that the arrival of the Communists will involve no drastic changes. Of course there will be changes, but for many years they will be changes which can be made relatively easily and within the framework of the present society. As I foresee it, the first change will be the issuance of a relatively stable currency. This will be followed by increased production in the countryside and inauguration of long-needed public works such as flood control and land reclamation. At the same time certain basic and unspectacular reforms in the rural system will be undertaken such as the lowering of taxes and rents. Gradually, the holdings of the large landlords will be divided. Perhaps within two or three or more decades China may become a socialistic state, but certainly not much sooner.

Some people may feel that changes will come faster. Maybe they will, but I am convinced that the changes themselves will not be of a particularly socialistic nature. For instance, if the Communists merely took over all the laws and regulations at present in existence and *enforced* them, the people's livelihood would be vastly improved, but China would not be a lot farther along the road to socialism than she theoretically is today. The lowering of rents in the countryside is not necessarily a "socialistic" action, but its effects on the life of the peasantry would be immediate and great. The proper handling of import and export matters in Shanghai would show immediate results. The elimination of bureaucratic capitalists and their dead hands which lay so heavily upon commerce, industry and finance would result in vast improvements in China.

Idea Not New

The idea of government control of big undertakings is not new in China. It predates socialism or communism. As Professor John Fairbank pointed out in his book, "The United States and China," in the past only the Government was capable of organizing and undertaking such huge projects as canal building, dyke construction, etc. This is still true today to a great extent. Since there is no large middle class with surplus funds to invest in giant corporations, only the Government can find the necessary funds to build railways or huge factories. Thus, the idea of socialization of major enterprises comes readily and easily to this country.

The Kuomintang has understood this quite well and has planned for government control of heavy industry, power development, etc. The National Resources Commission, which engages in all types of commercial and industrial undertakings, is a prime example. The trouble with the Kuomintang, though, has been its inability to really run these enterprises for the interest of the state. All too often such undertakings have been state-owned in name only, while their actual operation was controlled by bureaucratic capitalists for the benefit of bureaucratic capitalists.

One other reason why the Kuomintang has failed in its administration of state monopolies, is that it has tried to do more than it has the ability to accomplish. Often times the Government, through one of its agencies, has entered into a highly complicated field and made a mess of things. While the Communists will certainly take over all existing state properties, it is my belief that they will be realistic enough to avoid biting off more than they can chew. It is possible that they may open up more fields to foreign enterprise than are now available. At least they will not actively sabotage legitimate activities of foreigners. The road will certainly point to socialism, but it will be traversed one step at a time.

During this period of reconstruction and modernization, China will need her foreign friends' aid and advice more than ever. For this, if no other reason, realistic Chinese Communists will welcome legitimate foreign enterprise and will do nothing to drive away those foreigners already here. Naturally some types of exploitation formerly engaged in by foreigners will no longer be tolerated, but productive and legitimate undertakings by foreigners will be encouraged.

BRITISH AND AMERICAN POLICY CONTRASTS

A FORMER UNRRA WORKER

A REPORT in the press (see *China Press* of December 9) of the present foreign policy of Great Britain as set forth by Foreign Secretary Ernest Bevin in his speech of December 7, while leaving some questions to be guessed at, in the main quite openly states, or rather admits, the position of Britain in regard to China.

This is not meant to imply that Bevin or his government are always frank and sincere in their statements, for even in this speech he says in one place that Britain is holding to the pact with Russia and the US on non-interference in Chinese internal affairs—but later on in the same breath says that Britain has no strength to help the Nationalists, anyway. Thus he strives to appeal to the Chinese Reds on the one hand and to American listeners on the other. Nevertheless, one must accept the general thesis of Bevin's speech as the intentions of Britain because it is well known that now Britain's precarious economic situation dictates her policy so clearly in regard to China that no leader or group can very well deviate too far and still stay in power. This is no tactical plot or sudden unexpected move on the part of the great imperialist, but to people who have kept track of events in China this move is quite logically to be expected.

US vs. Britain

No one denies that since the end of the war America has taken the lead in interest and trade with China and in fact very few will deny that America has been relentlessly pushing out other competitors, especially Britain, from this vast field. So evident has been the intention of America in this regard that the Chinese Nationalist Government felt quite unabashed in pressing its claims for American aid on the very same day of the burning of the British Consulate on Shameen Island at Canton in January of this year.

I happened to be stationed in Shameen and know from first hand that the rioters came quite well organized with spearlike sticks, rags, and kerosene prepared beforehand. They were passed without questioning by the police station which guards the two narrow bridge entrances to the island and without interference proceeded with their well planned burning, a quite questionable method of settling the Kowloon problem.

About five days previous to this a spokesman of the Nanking Government had openly boasted in the press that if the Hongkong Government did not settle the Kowloon question to the liking of the Chinese people, the Chinese Government would wash its hands of all responsibility of what might happen or arise from the "ire of the people," thereby bluntly hinting that something was brewing. Certainly, I am not accusing my own countrymen of instigating the incident or even of taking advantage of the propitious moment to arouse the antagonism of the people living in Britain's last bastion of trade in China (i.e. Canton) against her by some widely publicized impertinence by the so called "Chinese people." Nevertheless, the fact remains that evidently the Nationalist Government had had no reason to fear injuring its chance of getting aid thru ECA from Britain's former ally by giving opportunity for such an incident. However, such tactics are not new by any means to the art of imperialism, and there is nothing wrong with it to those whose hearts are hardened by long contact and benefits from the same.

Tide Has Turned

Now, however, it seems that the tide has turned: Powers rise and fall as also do the fortunes of the others connected with them. Whether by will or circumstances, Britain has more or less observed the above mentioned pact with Russia and China while (as Bevin hints) America has certainly not done so, even though on December 11, according to a *Reuter* message from Washington, diplomatic officials asserted that "this pledge still guides American policy." Britain therefore is in a position to take advantage of the antagonism which Uncle Sam has certainly earned for himself from Red China, and she can still keep her face. It is my strong belief that Britain will recognize the new Chinese government just as soon as Nanking falls or a new coalition government is formed bringing the war to a close. Substantiating this is the fact that British realty companies in Shanghai are busy investing in real estate, other permanent property capital, and automobiles and their men have stayed on in the Tongshan mines after the evacuation of Nationalist troops. Without doubt there is an agreement of good will between Britain and the Yenan government.

America has lost; there is no turning back of history by mere statements of Washington diplomats and, what is more, we can do nothing about these practically unconcealed intentions of Britain. The Chinese Red Army continues to advance in the countless and newest of America's army, air and naval equipment, originally manned by American trained men and officers working under plans of American and Chinese generals. But the American public is not convinced that defeat means that we are in the wrong any more than were the Germans, many of whom applauded when Goering said, "Our greatest crime is that we lost the war." This is because the average American knows and cares little about the facts and causes of the revolution in China. For those whose interest has been aroused at last by the ruin of the Nationalist pipe dream, I advise looking at the facts until they understand that we are not wrong because we were defeated but we were defeated because we were wrong.

Right And Wrong Side

There is a right and wrong aside from might in China, where the mass of people are enough acquainted with bandits and their ways to give them little following, where the power of the press and pure propaganda reaches only a small part of the population, and where people are forced to judge things by hard facts such as the price of rice, the coldness of the house, etc. In this country of perpetual starvation, economic issues are so paramount that no government of mere promises can long exist, let alone grow stronger as the Communists have been steadily doing.

To Chinese patriots who are fighting for land reform, end of corruption in government offices, and other issues which the Kuomintang promised but never gave, their cause is just as real and necessary, if not more so, than the cause of the American Revolution was to our ancestors. They feel on their backs what we should learn by reading; that the percentage of unearned increment in Chinese business as well as in agriculture is greater than that of any other country in the world; that for example almost two-thirds of the land is owned by non-working landlords, each possessing an average of 60 mow (10 acres) of land and four to six tenant families who pay 40 to 65 percent of the crop to this none-producing element in Chinese society.

By dividing the land more or less equally according to family size and available land, the Reds have forced the former owners into production (incidentally filling in the gaps caused by draftings into the army). Where for some reason redivision is still pending, the Government has reduced rentals to 15 percent or less of the crop. In spite of the war, taxation has actually been reduced because none of it except salary goes into the pockets of officials and there is for once in the history of China no "squeeze!"

Certainly, anyone who really sympathizes with the plight and problems of the Chinese people as a whole, and not with only those who help its business, must understand the growing popularity of the regime which has actually demonstrated its ability

and action in curing China's sickness in country and town.

Even people who care little for the right or wrong of our action in China's struggle can now objectively study America's foreign policy in the light of results for America and still come to the conclusion that this policy is shortsighted and unrealistic. Not only in China have we lost friends and trade earned during World War II, but we are fast losing them everywhere we set foot. In the first place, the conception that one country can freely and openly interfere in the internal politics and management of another country, even at the price of huge sums of gold, without being judged correctly for what we are by the larger part of the native populace is no longer true. This could have happened easier 50 or 100 years ago, but today the level of education and political consciousness is much higher in all countries than ever before and no longer can you find the blind trust in Uncle Sam as a genial, altruistic defender of the rights of man.

US About Face

Exactly the opposite: since the death of Roosevelt—a great tragedy indeed—we have suffered an about face in foreign as well as internal policy: we uphold a deteriorating semi-dictatorship in China, we take the age old load off the British shoulders in upholding the corrupt monarchy of Greece, we back up the reactionary groups in Korea, Italy, Austria, Germany, France, and imperialism as an institution in Indonesia, Indo-China and the Near East, even though this is against our own interests, and to cap it all off we are even in a humor to make secret agreements with the bosom friend of Hitler and Mussolini and break the UN decision to boycott Franco's dictatorship.

In the Near East our greed for oil has strongly tainted our so-called neutrality in the Palestine question. Just as in America where the forces of reaction have been able to fight trade unions under the pretense of hunting communists, so in foreign affairs we back up reaction under the pretense of a fight against the bogey of communism, which really can be done *only* by trying to give the people something better instead of something worse than what communism has to offer.

And what has been the result: Instead of strengthening the Greek monarchy and putting down communism, if that is what you have in Greece (a very debatable question), the strength of General Markos has grown and the civil war has spread to all parts of Greece while one Greek government after another fails and is rebuilt in the same old undemocratic manner. In China and in South Korea the Reds are stronger now than before American intervention. It cannot be but thus. In China, the Nationalists hate us for not giving them enough help to secure victory, and the other side hates us for helping at all. But the reactionaries do not lose because they lack enough arms, but because they lack the confidence of the masses, and this lack of confidence is strengthened by the Nationalist acceptance of help from a foreign country, whose motives all over the world are being questioned with suspicion.

Alternative Path

But a criticism cannot be but harmful if it isn't constructive. We have an alternative—but we need big men, big leaders such as Roosevelt, who will not attempt to hold back the movement of history toward democracy and a semi-socialistic world but who will keep America apace with social progress and who will in fact take advantage of the great opportunities for trade and commerce inherent in the development of countries where the people have awakened. The American people should be prepared for social progress within and peace and commerce outside the States instead of being prepared (as in the Taft-Hartley act) for retrogession within, and war, economic imperialism and chaos without. Stop the useless rivers of blood in China, recognize the new Chinese government as quickly as possible and make her trade loans that will be repaid to the American taxpayer.

Enough of throwing away our national heritage to make enemies for us just because we voted for the wrong representatives in Congress. Let us not get into the panics for which the American people are noted, but get the facts and control our thinking. Otherwise, we are going to find ourselves in the back seat with fellows like John Bull again doing the driving, or still worse, in a car up ahead while we are in the ditch.

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Holland's Blundering Attack On Indonesia

Andrew Roth

IN Southeast Asia, which seems as rich in political errors as it is in precious raw materials, the Dutch appear to have committed the worst blunder of all in unleashing their long-planned "second police action."

This second military attack on the Indonesian Republic has been on the Dutch military planning boards almost since the Security Council ordered the first one stopped in August 1947. It has been delayed from month to month partly by a political conflict within the Dutch cabinet and by fear of world, and particularly American, public opinion.

The ease with which the Dutch have captured Jokjakarta and other Republican centers is deceptive. The Republican military command has never planned to defend Jokjakarta and similar exposed centers against the Dutch army, whose American and British equipment makes it comparatively maneuvrable and gives it heavy fire-power. Republican army plans call for a "scorched earth" policy and a campaign of guerilla warfare.

Dual Motive

The Dutch have made it clear that the economic exploitation of Indonesia is the primary aim of this renewed attack. "Recovery in this country cannot begin properly until Republican territory is purged of terrorizing powers," declared Dutch High Commissioner Louis Beel in denouncing the truce. What the Dutch mean by "recovery" is the restoration of the prewar situation when Holland secured 15 percent of its national income by selling Indonesian products in the US and using the bulk of these dollar credits to buy goods for Holland and for transshipment to Germany.

Holland's secondary, political aim is to set up a puppet colonial government responsive to its desires. It is significant that the military attack came directly on the heels of the proclamation of a new, Dutch-sponsored interim government. Negotiations for a pro-Dutch Indonesian regime have been going on for over two years, but the existence of the Republic as a beacon of undiluted nationalism has made it difficult for the Dutch to keep their own creations in line. In two of them, West Java and East Indonesia, pro-Republican nationalists came to have a considerable voice. Now, the Dutch hope, with the Republican "focus of infection" eliminated, the political leaders in the Dutch-sponsored states will be more tractable.

Both of these hopes, most neutral observers agree, are illusory and come from a stubborn Dutch refusal to confront the political facts of life in postwar Indonesia. While the Republic of Indonesia has never been strong and well-knit, and there has been considerable internal bickering and a certain amount of corruption, the ideal of national independence with which it is associated in the Indonesian mind commands the support of the bulk of the Indonesian intellectuals and youth. This nationalist feeling seems likely to block the achievement of Holland's economic and military aims.

Guerilla Attacks

Holland's efforts to extract the oil, quinine, rubber and other wealth-producing products of Indonesia are likely to be attended with increasing difficulties. The Republican military plan calls for generalized guerilla attacks all over the islands, particularly aimed at economic installations. It is true, of course, that the Indonesian people do not appear to be as strong on fibre or as willing to sacrifice themselves as the Vietnamese and the mass of the Indonesian peasantry wants little more than to be left alone with enough to eat and clothe themselves. However, it is clear that there is a sufficient hard core of nationalists among the youth and intellectuals to harass the Dutch with considerable effect. It only takes a single axe-blow to put a rubber tree out of commission. A match and an oil rag can set a ship or a warehouse aflame and by the time this appears in print there may be word that some of the Republican-held oil fields in Sumatra have been put to the torch.

Dutch political aspirations in Indonesia likewise seem doomed to frustration. In a five-month tour of Indonesia last spring and summer this correspondent talked to many nationalists in Dutch-occupied areas who were willing to cooperate with the Dutch-sponsored governments there because they felt Dutch-Republican differences would be bridged by political negotiations under UN auspices. "We have to transfer our efforts from the military field to the political field," is the way many of them put it. It was for this reason, for example, that the nationalist guerillas of Bali gave themselves up last May. But the Dutch refusal to negotiate except on "take it or leave it" terms, capped by a naked military invasion, will put many moderate nationalists as well as all-out nationalists in strong opposition to the Dutch and Dutch-sponsored regimes. There are likely to be a number of significant resignations in the Dutch-created states, particularly in East Indonesia and West Java, as a prelude to a renewal of guerilla activities. Some expert observers feel that the Indonesian Communists, who discredited themselves with their fellow nationalists by their putsch against the Hatta-Sukarno government last September, may well recoup their losses now and emerge as the leaders of the anti-Dutch guerilla movement.

What About The US?

Dutch military aggression against the Republic places the US squarely on the spot. Although American policy has favored a peaceful settlement of Dutch-Indonesian differences, it is nevertheless equally true that American economic aid has provided Holland with the economic sinews with which the colonial war is being fought. Furthermore, Merle Cochran, the American delegate to the UN's Good Offices Committee has spent a considerable part of the last few months negotiating on his own—without officially informing the GOC. Actually, T. K. Critchley, the Australian member of the GOC, was convinced by the early October that a Dutch attack was in the cards and favored warning the Security Council in the form of a fourth Interim Report. However, Cochran wouldn't go along with him, and the warning report wasn't forwarded to the Security Council until the end of November.

Although all elements in the Dutch Government have favored the securing of Dutch control of Indonesia and its wealth through a "second police action" there was one group which was hesitant because it feared America's reaction. However, by early December, apparently, a majority of the Dutch cabinet had decided that while it might expect condemnation from the Security Council when it attacked the Republic, that American official action would be limited to a reprimand and that ECA aid would not be cut off. However, if the United States does no more than that it will be in the position of seeing its economic aid to Western Europe largely dissipated in financing two full-scale colonial wars in Indonesia and Indo-China and the suppression of the Communist putsch in Malaya. This, of course, will provide perfect material for Communist propagandists who have long been depicting the US as a financer of colonial wars.

"This is going to be a mess," Robert Dubois, former American delegate to the GOC in Indonesia, is quoted as saying. "It will immediately be a military victory for the Dutch but meanwhile they are building up a hate which may, in time, drive every Dutchman from there. Nobody really knows where it will end. It's the start of a colonial war and we are financing it."

Chinese Philosophy And Politics: 1853-1905

Joshua W. K. Liao 廖文奎

(This is the second of two parts of the epilogue of THE STORY OF CHINESE PHILOSOPHY completed recently by the same author who is now working on Contemporary Chinese Philosophy.)

NOT only to the returned students but also to experts in Chinese cultural studies, the need for reformation grew more and more pressing till it became the cause of revolution on the part of the younger elements burning with the flame of patriotism. For two centuries since the close of the Ming Dynasty, it is to be recalled, there had been a constant quarrel between the Sung (宋) and the Han (漢) School scholars as well as between the realist followers of Ch'êng Yi (程頤) and Chu Hsi (朱熹) and the idealist supporters of Lu Hsiang-shan (陸象山) and Wang Yang-ming (王陽明) inside the Sung School. Towards the middle of the 19th Century, Tsêng Kuo-fan by patching up all their differences attempted to whip them together. Most probably, thanks to his good offices, the academic war subsided for several decades, each thinker and author attending to his own business. In consequence, there were produced some noteworthy achievements in the re-evaluation of classical assets.

Little Antagonism

What Tai Tung-yüan (戴東原 1724-1777) was to the 18th Century, Yü Yüeh (俞樾 1821-1907) was to 19th Century classical thought and scholarship. Compared with Tai, however, Yu showed little antagonism against the Sung School except in the theory of human nature. As an Advanced Scholar of the Class of 1851 and a Fellow of the Hanlin Academy, Yü showed little interest in a political career. As early as 1857, he resigned from the post of Commissioner of Education of Honan and made a literary career for the rest of his life in Soochow. He took up classical studies first, then turned to the ancient sages, and in 1862 completed his *Comments on the Various Classics* (羣經平議) of 35 chapters and *Comments on the Various Philosophers* (諸子平議) also of 35 chapters. Later, he composed two treatises on the theory of human nature now found among his literary remains.

Confucius (孔子), he said, did not commit himself as to whether human nature is originally good or evil, while Mencius (孟子) and Hsün Tzu (荀子) both went to one extreme. Nevertheless, Mencius and Hsün Tü, though their starting points were different, looked to the same goal of self-cultivation. The former said that every man could become a Yao (堯) or a Shun (舜); the latter taught that every citizen of T'u (土) could be made into a Yü (禹). According to Yu Yüeh, whereas Hsün Tzü counted on the efficacy of learning, Mencius trusted to the good of original nature, and upholders of this have been apt to neglect studies and imbibe Buddhist ideas. Hsün Tzü advocated the regulation of the original nature as the *Book of Chou* (荀書) advocated in the "Announcement to the Duke of Shao" (召誥); Mencius taught in accordance with original nature as the *Doctrine of the Mean* (中庸) did in its opening passage. As most people must have their natures regulated and only a few *chün-tzü* (君子) might be able to act in accordance with their original natures, every discussion of human nature should follow Hsün Tzü and not Mencius, affirmed Yü Yüeh. As to the origin of good, he said that though nature (*hsing* 性) is evil, talent (*ts'ai* 才) may become good or evil according to the postnatal environment. Yet he made no detailed exposition of the basic relation between talent and nature.

Most Prominent Pupils

The most prominent pupils of Yü Yüeh were Sun I-jang (孫詒讓 1848-1908) and Chang Ping-lin (章炳麟 1868-1936)—the former successful in matters of word and the latter in matters of both word and thought. Above everything else, Sun I-jang accomplished in 1899 the standard commentary on the *Rites of Chou* (周禮 printed in 1905), which has been regarded by all experts as the most difficult among the Canonical Classics. He left very original works on Chinese morphology by comparing inscriptions on stone and bronze implements and clarifying the traditional six categories of Chinese character-formation and also on Chinese etymology through his careful analysis of writings on tortoise-shells. As the text of the Works of Mo Tzü had been left in bad condition, he brought together all the extant commentaries and edited *The Complete Works of Mo Tzü with Collected Commentaries* (墨子閒詁 reprinted in 1907). Largely owing to the same line of inspiration, Wang Hsien-chien (王先謙 1842-1917), accomplished similar works on Chuang Tzu (莊子) and Hsün Tzu, and his younger cousin Wang Hsien-shen (王愼 1931) on Han Fei Tzu (韓非子).

Chang Ping-lin, 20 years younger than Sun I-jang, began to study under Yü Yüen when 16 years old. Later, he became so ambitious as to carry on research in Chinese phonology and etymology as well as the tradition of the old script texts. Again, largely on account of the proximity of his native place, Yü-hang (餘杭) to the headquarters of Huang Li-chou's (黃黎洲 1610-1695) school in the Yü-yao (餘姚) area, he imbibed the nationalism of traditional Ming patriots. Besides, he adored the patriotic spirits of Ku Ting-lin (顧亭林 1613-1682), Wang Ch'uan-shan (王船山 1619-1692), and the like; so much so that he perceived the need of reformation aside from any impact of occidental culture, and from the outset he considered overthrowing the Manchu Dynasty as the only way of national salvation. After his plot for revolution had been disclosed, he was kept in jail from 1903 to 1906. Having served his prison term, he left for Japan and joined hands with other revolutionary leaders like Sun Yat-sen and Liang Ch'i-ch'ao (梁啓超). In the meantime, he acquired a deep interest in Buddhism, and particularly in the Fa-hsiang Tsung (法相宗) or Dharma and Appearance School founded in China by the Tripitaka Master, Hsüan-chuang (玄奘 600-664). Once he thought of going to India for further studies but could not raise enough funds. From the establishment of the Republic in 1912 onwards he spent most of his time in teaching and writing and enlisted several hundred pupils in his private school at Soochow. His distinguished service to the revolutionary movement in politics plus his penetrating influence upon the mode of thinking in Chinese cultural studies, won him a State funeral upon his death in 1936.

The New Script School

In carrying on the tradition of the old script texts, Chang Ping-lin naturally focused his attention on Tso-ch'iu Ming's (左丘明) *Commentary on the Spring and Autumn Annals* (春秋左傳) allegedly uncovered by Liu Hsin (劉歆) in the time of Wang Mang (王莽 9-23A.D.), and in so doing he accepted the challenge of the new script school—specifically known as the Kung-yang School—led by Liao P'ing (廖平) and K'ang Yu-wei (康有爲) who were then re-evaluating Kung-yang Kao's (公羊高) *Commentary* studied and edited by Hu Mu Shêng (胡母生) and Tung Chung-shu (董仲舒) in the time of the Han Emperor Wu-ti (漢高帝 140-87 B.C.).

The most important pioneers in the revival of interest in the new script texts were Chuang Ts'un-yü (莊存與 1719-1788) in his work on the *Spring and Autumn Annals* and Liu Fêng-lu (劉逢祿 1776-1829) in his work on *Ho Hsiu's* (何休) *Interpretations of Kung-yang's Commentary on the Spring and Autumn Annals* (公羊春秋何氏釋例). It was exactly the time when such textual critics as Tai Tung-yüan and his pupils were flourishing. Nonetheless in contradi-

stinction to the orthodox school, these two men studied the thought rather than the word of the Classic and its standard commentaries, and even attempted to expound and develop it. Soon afterwards Kung Tzu-chên (龔自珍 1792-1841), a grandson of Tuan Yü-ts'ai (段玉裁 1735-1815) and a pupil of Liu Féng-lu, who as a textual critic had been carrying on the orthodox tradition handed down by Tai Tung-yüan, took interest in the new script texts, too, and, furthermore, developed the tradition of Chuang and Liu. From Kung-yang's *Commentary* he often derived his ideas and quoted passages to criticize the trend of political events. It was pointed out by Liang Ch'i-ch'ao, that though he failed to delve deep enough into the line, yet by his emancipation of current thought from the bondage of classical chains he won numerous posthumous eulogies among the 19th Century reformists. (12) His fellow-pupil, Wey Yüan (魏源 1794-1856), went so far as to condemn the old script texts of the *Poetry* (詩經) and *History* (書經) as spurious. Meanwhile, there appeared Wang K'ai-yüan (王閏運 1812-1896) to regard himself as an expert in Kung-yang's *Commentary*. From the school of Wang rose Liao P'ing, and under Liao's influence K'ang Yu-wei developed the crowning phase of his thought.

Liao Ping's Characteristics

Characteristic of Liao P'ing's (廖平 1852-1932) life and work was the six-stage transformation of his classical research and ideological speculations. As leader of the New Script School, he completed his *Inquiry into the New and Old Script Literature* (今古字考) in 1886, but as early as 1883 he reached the first stage, maintaining that both the new and the old script texts of the Canonical Classics are traceable to Confucius and that study of them should be based on the new script; yet wherever the new script reaches a deadlock, the old script should be available. In the second stage, in 1888, he debased the old and exalted the new, holding that only the new script texts had actually gone through Confucius's hands while the old ones were forged by Liu Hsin and subsequent anonyms. In the third stage, in 1898, his thought took an original turn and expounded a system of political and historical philosophy, affirming that in the new script text of the *Spring and Autumn Annals* Confucius thought of reforming the Central States whereas in the old script texts of the *Rites of Chou* and *Book of History* he hoped to tranquilize All-under-Heaven by picturing the past as an example to the future, and that the Occidentals, because they had never received Confucius's teaching, were still in the stage of the Spring and Autumn Period (in view of the high tempo of their pugnacity). In the fourth stage and from 1902 onward, he spoke about the heavenly man as the ultimate goal of human evolution, and asserted that at the zenith of evolution everybody would not have to depend upon grain for staple food and would be able to levitate with nothing to think and worry about. In the fifth stage, in 1918, he attempted to rearrange the Classics, some wholly and some partially, into two orders, the major (or macrocosmic) and the minor (or microcosmic), calling the former *T'ien Hsüeh* (天學) or Providences and the latter *Jén Hsüeh* (人學) or Humanities. The minor order covered the discussions of mundane affairs, e.g., self-cultivation and family-regulation, state-government and world-tranquillization; whereas the major order dealt with ultra-mundane subjects like spiritism, animism, occultism, levitation, dreaming, and so forth. These works expounding all the five stages are included in his extant literary remains, but for some reason or other his *Sixth Stage in My Classical Studies* (經學六變記) seems to have not yet been published.

The greatest systematic spokesman of the New Script School in recent Chinese history was K'ang Yu-wei (康有爲 1858-1927). From 1875, when 17 years old, he studied under Chu Tz'u-ch'i (朱次琦 1808-1882) till the latter's death in 1882. Subsequently, as soon as he read Liao P'ing's early works, he began his study of Kung-yang Kao's *Commentary on the Spring and Autumn Annals*. In 1889, he submitted to the Manchu Throne his measures for political reform but received no attention. Then he proceeded to compose his *Forged Classics of the New Script Literature* (新學僞經考), and completed it in 1891. Immediately after the Sino-Japanese War he organized (in 1895) a national rejuvenation society in Peking, agitating for reform. Altogether six times he submitted to the Throne his measures for reform. In 1898, the Manchu Government, pulled from pillar to post, leased Kiaochow Bay to Germany in March, Port Arthur and Dalny to Russia in April, and Kowloon in June and Wei-hai-wei in July to England, so that the whole Empire seemed on the verge of total dismemberment. At this critical hour the wise but weak Emperor Kuang-hsü (光緒 1875-1908), feeling a pressing need for political reformation, summoned K'ang and his reformist followers for consultation about adoption of the systems of constitutional monarchy and representative government. Thence followed the famous "100 days of reform."

In the meantime, Yüan Shih-k'ai (袁世凱 1859-1916), a habitual betrayer of trustful friends, divulged the secret news to the Empress Dowager, whereupon in the autumn of 1898 the Empress Dowager at the head of the conservative clique confined the Emperor to a terrace inside the Forbidden City, and sentenced to death all the reformists. Of them, six were caught and summarily executed while K'ang Yu-wei and his prominent pupil Liang Ch'i-ch'ao (梁啓超 1873-1929) managed to escape to Japan. Thereafter, Liang became a revolutionary and in 1902 extensively expounded his famous *Hsin Min Shao* (新民說) or Doctrine of National Renovation that was going to reign over Chinese political and social ideology for 20 years to come. K'ang Yu-wei remained a monarchist up to the end of his life. One year prior to this incident, K'ang completed his *Confucius as a Reformer* (孔子改制考). Still earlier, he composed his *Book of the Great Community* (大同書), which expounds his own thought but had never been fully published before 1935.

In the *Forged Classics of the New Script Literature*, K'ang attempted to prove that all the old script texts uncovered in the time of Wang Mang and supported by Liu Hsin were forged classics. If his viewpoint proved true, then what the Old Script School and the eclectics had accomplished for two millennia would have been labor in vain, and all ancient books must be carefully re-examined. In his *Confucius as a Reformer*, he attempted to show that Confucius was more of an innovator than a transmitter of ancient intellectual assets because all the Six Canonical Classics were works of Confucius, and that in order to reform the present by appealing to the past he described such ideal figures as Yao and Shun ruling in the Golden Age though nobody knew whether such sagerulers had actually existed or were his imagination. The *Book of the Great Community* was his systematic development of Confucius's Utopia. In the Great Community there would be no national governments but one international government throughout the whole world; all public servants would be elected by the people; there being no family organization, man and wife would cohabitate not longer than one year; pregnant women would be sent to pre-natal training schools while new born babies would be raised in nursing homes, older children taught in vocational schools and adolescents given proper jobs; sick people would receive free medical service; and old people, good care in established homes; and those who have accomplished cultural inventions or rendered distinguished services to the public would be duly rewarded. Neither based on previous thought nor derived from foreign sources, all ideas were innovations for the last decade of the 19th Century. (13).

Synthetic Attempts

One of the six reformist martyrs, by the name of T'an Ssu-t'ung (譚嗣同 1866-1898), who was also one of K'ang Yu-wei's disciplines, ended his life at the age of 32 but left a never-to-be-forgotten work entitled *Jén Hsüeh* (仁學) or *Philosophy of Benevolence*. Its objective, like that of Herbert Spencer's *Synthetic Philosophy*, was to formulate a synthetic system of thought by merging scientific, philosophic, and religious ideas as well as by blending Confucianism, neo-Confucianism, Taoism, Mohism, Buddhism and Christianity. Yet, being a Christian convert, he hated the tyranny of the past and craved the liberty of the spirit.

(12) *Writers of the Ch'ing Dynasty* 清代學術概論 pp. 122-123)

(13) Liang, *op. cit.*, pp. 135-136, Richard Wilhelm, *The Soul of China*, the text tr. from the German by J. H. Reece and the poems by A. Waley, pp. 78-80.

In the same year the six reformists martyrized themselves, Chang Chih-tung (張之洞1837-1909) submitted to the Manchu Court an appeal entitled *Ch'uan Hsüeh P'ien* (14) (勸學篇) for the rejuvenation of Confucian morals and adoption of Western culture as the only hope of saving China from decline and ruin. To him, neither the conservatives nor the progressives were right: The right way to national salvation should be a moderate measure of reform, namely, through a gradual process of educating youth and altering the systems of civil and military service examination. The appeal was allowed to be published in the summer of 1899. Nevertheless, the Conservatives, sheltered by such powerful patrons as the Empress Dowager and Prince Tuan Fang (端方), secretly instigated fanatic Boxers—most of whom were members of underworld semi-religious societies—to "support the Ch'ing Dynasty and annihilate all foreigners (*fu ch'ing mieh yang* 扶清滅洋)" with a ludicrous view to appeasing the malcontents and prolonging the existing dynasty exactly as Li Ssu (李斯 280-208 B.C.) and the First Emperor of Ch'in (秦始皇 246-210 B.C.) had schemed for the permanent preservation of the House of Ch'in by burning "dangerous" books and burying alive captious literati 21 centuries earlier.

Early in 1900 the Boxer Uprising broke out, but was quelled in the autumn of the same year by the Allied Army of Eight Powers. Members of the imperial family and top officials of the Central Government, having had to seek refuge in remote provinces, changed their attitude towards the Occident overnight. At long last they promised the people the adoption of the systems of constitutional monarchy and representative government, and actually abolished the system of civil service examination in 1905, whereafter all ambitious degree-hunters would have to take up Occidental as well as Chinese cultural studies, and pass the M.A. or Ph.D. examinations in Occidental universities instead of becoming Promoted Men (舉人) in the provincial capitals or Advanced Scholars (進士) in the national capital.

However, it was too late for the dynasty, though not too late for the people. Those enlightened malcontents whose hope for reformation had been frustrated by the obstinate monarchists could see no use in supporting the moribund monarchy, and increased their anti-Manchu and-monarchist campaign till the last Emperor Henry P'u Yi (溥儀) of the Ch'ing Dynasty was forced to abdicate at the end of 1911 and the Republic of China—the China cultur-ally determined to adjust herself to the rest of the world—was founded early in 1912. Since then, Chinese philosophy has comprised in the main the various phases of China's ideological adjustment to the Occident, thus requiring a separate survey from different angles.

(14) Eng. tr. entitled *China's Only Hope* by Samuel I. Woodbridge.

The Week's Business

DURING the week ending December 22, business in Shanghai was slow and the turnover in retail stores generally was considered disappointing. Matters changed a little on the last day under review when political news from Nanking indicated a possibility of the Government's intention to come to terms with its adversaries and to end the Civil War.

Whether such speculation will have a lasting effect on the market remains to be seen. In fact, something similar to the announcement made on December 21 was foreseen by numerous businessmen in town. Throughout the week under review, and in spite of generally slow business, wholesale prices increased step by step, a fact which was thought to indicate increasing confidence in the efforts of those quarters trying to restore peace.

Meanwhile, exporters saw some business possibilities. Apart from various raw materials shipped by commercial firms and governmental concerns, several shipments of consumer goods left Shanghai during the week under review. As to tea exports, a report stated that production of tea on the mainland and in Taiwan in 1948 is estimated to have reached about the 1947 level (which was low compared with prewar) and that exports could be maintained on the 1947 level. Such exports, however, included shipments to the USSR under barter commitments, i.e. by shipping brick and black tea to Russia, China again paid part of her war debts to Russia.

On the commodity markets, quotations for raw silk, rayon, cotton textiles and rolled tobacco gained throughout the week. In spite of comparatively satisfactory rice arrivals, the price of first-grade Pai Keng went up to GY 340 per picul. Oil and flour prices advanced slowly.

New Policy

While, thus, the markets were irregular and black exchange markets realized new gains, the Ministry of Finance on December 20 announced that "in order to intensify control over financial affairs" it is working on a new policy "in line with the newly revised currency reform program." The Ministry's plan, it was said, was to lead idle funds into productive channels, a task hardly to be achieved under prevailing political and economic conditons.

It was also announced by a semi-official news agency that the Shanghai Finance Control Bureau "is taking precautionary measures to prevent the immense amount of idle fund capital from falling into speculators' hands," whatever that may mean. In fact, commenting on such and similar news, businessmen could not help observing that fewer controls and regulations probably would help more than new control measures, and that the only people not to lose substance since the promulgation of the new currency apparently were the speculators.

The Shanghai Finance Control Bureau was also reported to plan "keeping close watch on all transactions of commercial banking houses here." Commenting on this piece of news, local bankers opined that for carrying out that program the Bureau will need only a few people, since transactions are practically nil. They were afraid, it seemed, that by intensifying controls the Bureau will succeed in further decreasing what little business can still be done.

According to an announcement made by the Economic Research Institute, the retail price index for the week ending December 19 showed a general increase by 10.48 percent, with clothing prices increasing by 9.23 percent and foodstuffs by 7.31 percent.

Market Easy

During the week under review, the money market was comparatively easy with local banks and private money lenders charging between 20 percent and 36 percent per month. Simultaneously, the Loan Department of the Central Bank decided to reduce the interest rate on industrial loans from 36 percent to 24 percent, while at the same time extending the duration of such loans from 30 to 60 days.

In general, the financial market was extremely irregular throughout the week under review; while occasionally the difference between the official Certificate rate and the black market quotation was smaller than ever since November 1, the gap again widened during the last two days of the week under review.

On the other hand, businessmen were astonished to learn that in spite of all difficulties and contrary to all expectations, the Bank of China, on December 22, stated that overseas remittances had increased in December. The Bank of China was reported to have estimated the total amount of remittances from abroad during December as reaching almost US$2,000,000.

It was no less amazing to read a statement by the Export-Import Bank claiming that, in terms of US currency, the value of exports in 1948 was higher than that of 1947 shipments. There is no possibility, of course, to establish the value of actual and paid for shipments, as Customs Returns include shipments on consignment as well as exports to Russia made with a view to settling war debts.

NEWS OF THE WEEK

Peiping And Tientsin Cut Off; Sun Fo Names New Cabinet

THE past week witnessed a series of dramatic developments in China's Civil War. In North China, General Fu Tso-yi simply evacuated one strategic center after another and concentrated the main strength of his forces in Peiping and Tientsin, thereby making it possible for the Communists to occupy the suburbs of the two cities. At the time of writing, Peiping and Tientsin, aside from radio contact, were completely cut from all methods of communication with the outside world. It is reported that improvised air-strips are being built inside the two cities. From the military point of view, such airfields, even if they are serviceable, can do very little to save the situation.

There is a prevailing impression that much is going on behind the scenes in North China. *AP* reported on December 20 that despite the possibility of large-scale fighting around the city there was good reason to believe that Peiping's future would be determined more at the conference table than at the front.

Fighting on the railway line between Nanking and Pengpu is getting nearer and nearer Nanking. Like Hsuchow, Pengpu has been bypassed by the Reds, who are reported to be advancing toward the Yangtze River in two directions in an all-out effort to knock Generalissimo Chiang Kai-shek's tottering government out of existence. In the east, Su Yu's army of about 40,000 men were pushing southward along the Grand Canal to within 35 miles of the north bank of the Yangtze against relatively slight Government resistance. The field headquarters of the Nationalists at Tangchow is reported to have moved to Chinkiang, capital of Kiangsu Province. Further Communist expansion in this direction would present a grave threat to communications between Nanking and Shanghai.

In the west, Liu Po-cheng's regrouped columns have been divided into two forces, one racing northward to assist Chen Yi in wiping out the Nationalist army groups under Tu Yu-ming and the other moving eastward from the southwest of Suhsien across the railway toward Hungtze Lake, where advance Communist echelons have blasted open a lane for infiltrating Government positions between Pengpu and the Yangtze. Railway traffic between Pengpu and Nanking has been cut off from time to time. General Liu Shih's headquarters of the East China Command have been hurriedly moved from Pengpu to Chuhsien, only 30 miles north of Nanking. It is feared that Pengpu will suffer the same fate as did Hsuchow.

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Political Aspect

REVIEWING the war situation as a whole, competent military observers are inclined to think that China's long-drawn-out Civil War has reached a point where the final outcome is already a foregone conclusion and the present fighting is only serving political purposes. In this connection, an *AP* story dated December 18 from Peiping makes interesting reading:

"The behavior of the troops defending this isolated city tends to confirm the belief, raised by a view of other battle fronts, that the Nationalist armies are simply marking time, awaiting a political end to the Civil War. Despite booming artillery, which yesterday was almost silent in comparison with the previous days, there is little or no fighting on a scale which could be called a single battle in the modern sense. Contacts appear to be limited to patrol actions since General Fu Tso-yi withdrew the bulk of his 100,000 men within or near Peiping's city walls. The majority of these troops evacuated what appeared to be defensible positions long before any Communists were near them. Their actions increased the idea held by many observers that Fu Tso-yi has no intention of fighting the Reds but is holding the ancient capital as 'trading stock' for a deal with the Communists. . . . A flight over General Tu Yu-ming's encircled army groups 35 miles south and southwest of Hsuchow on Friday, December 17 showed little evidence that he was making any effort to break out despite frequent Government reports to the contrary. . . . The most striking fact to an observer given an opportunity to see the front lines at close range is the lack of any fighting on a scale which can normally be expected from the number of troops involved. From this fact it is apparent that the Nationalist armies have reached the stage where they are doing more waiting than fighting—waiting for some development to end their war."

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Honorable Peace

THERE has been much talk about peace during the week under review. Circulation of peace rumors in Shanghai brought about a sharp fall in general commodity prices. Although the Government authorities have already issued flat denials, the general public appeared to suspect that there must be something in the air.

After almost a full month's painstaking effort, Sun Fo finally succeeded in forming a cabinet. Top leaders of the Kuomintang, including General Chang Chun, General Chang Chih-chung, Dr. Chen Li-fu and Dr. Wong Wen-hao joined the new cabinet as ministers without portfoloi.

Announcing the successful formation of his cabinet, Sun Fo told foreign correspondents that the policy of his cabinet would be to fight on until they could secure an "honorable peace." He stressed: "This cabinet is not going to surrender outright as some of you have suggested. That would be scuttling the anti-Communist fight. China would then become a second Poland or Czechoslovakia."

Asked what would be the terms for compromise, Sun said these would have to be discussed later on.

Qualified observers attached more than usual significance to Sun Fo's statement because this is the first time since the breaking down of peace talks between the Kuomintang and the Chinese Communists two years ago that a responsible Government leader in Nanking has formally discussed the possibility of resuming peace negotiations with the Reds.

According to *Reuter*, if some approach to peace by compromise or negotiation is made, the question still remains as to where the Generalissimo will stand. As is well known, the Generalissimo has repeatedly stated his determination to fight the Reds to the bitter end, while the Reds on their part have made it clear they won't negotiate with Chiang Kai-shek.

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US Policy

MEANWHILE, informed circles in Washington disclosed that the United States is building up Japan as a bulwark of its Pacific defence line against Communism. This course of action, it is explained, has been selected by diplomatic and military leaders as the best bet to cope with the recent Communist advances in China.

As part of the plan, General Douglas MacArthur has been ordered to direct the Japanese to achieve economic stability as rapidly as possible. If China falls to the Communists, Japan would be the anti-communist outpost of the line running from the Soviet-controlled Kurile Islands in the north through South Korea, Okinawa and the Philippines.

It is further revealed that, in line with this new official thinking, the United States is expected to call for a larger Japanese police force, gradually remove as many controls on the Japanese Government as possible and relax the United States occupation policies.

What US Papers Say

ECA Administrator Paul Hoffman's statement in Shanghai on the future of American aid for China and the sending of Marines to Shanghai both received editorial comment in the American press. The break in negotiations between the Dutch and the Indonesian Republic also brought on much editorial coverage.

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Americans In China

THE *Philadelphia Bulletin* in an editorial entitled "Hard Blow to Chiang," said in full: "ECA Administrator Paul G. Hoffman has dealt the Chinese Nationalist Government a blow that might well prove fatal. While Madame Chiang Kai-shek was getting nowhere with her appeals in Washington, Mr. Hoffman appeared in Shanghai and spoke frankly about what aid he would recommend in several possible contingencies.

"Mr. Hoffman does not favor going beyond the aid already allocated to China, unless Generalissimo Chiang can hold on until next spring. If he can, then the administrator will suggest aid for the second quarter of 1949. Mr. Hoffman would support any government not completely communistic, if it represented all the people and guaranteed their freedom. Asked whether that would apply if the Communists held 51 percent of power, he replied that all would depend upon what such a government did, and he would aid that government while he was finding out what it was going to do. But he would demand a right to administer the aid. He also might deal with municipalities rather than a national government.

"These answers have been anxiously sought under cover by anti-Communist groups that have been at their wits' end to know what to do. They now have an inkling of what to expect; and although it has been demonstrated time and again that coalitions with the Communists wind up with Communist domination and suppression of all freedom, some may be driven to accept such a coalition if the Reds would. It would appear that the only reason the victorious Communists would have to join a coalition now would be for the tricky purpose of getting American aid.

"Whatever the reaction to Mr. Hoffman's statement, it can't be favorable to the Chiang regime."

A *New York Herald Tribune* editorial, "Marines at Shanghai," said in full: "In the superheated state of world affairs, the contradictory product of the cold war, the American decision to dispatch Marines to Shanghai could easily give rise to unfounded hopes or fears. Actually, there is no reason to believe that the move is anything more than the most common-sense precaution, and one that has been taken by many nations (including our own) on many occasions. The Marines, stationed on ships lying off the city, are not intended to protect Shanghai against the Communists, but to safeguard American citizens and property against any threat that may develop during this critical stage of the Chinese Civil War.

"During a national convulsion such as that which now has China on the rack, there is always the danger of local uprisings, mob savagery, indiscriminate looting and violence. Often such outbreaks are directed against foreigners; and this is particularly true in a nation like China, which in the course of her history has had too much reason to dislike Westerners. The US Navy and Marine Corps were called upon during an earlier Civil War—in 1927—to protect Americans in cities which became a center of fighting, and of anti-foreign agitation. At Nanking, for example, the guns of ships in the river were used against mobs and soldiery attacking the foreign settlements. The action was certainly not taken to aid one side in the strife against the other, but to prevent (or rather to minimize, for several American lives were lost) a massacre of foreigners.

"It is reasonable to assume that the announcement that Marines are being sent to Shanghai will be utilized for propaganda purposes by the Chinese Communists. But they are quite capable of distorting any American action for their own ends. The main point is that the people of the United States must not allow themselves to be deceived about the intentions of their own military forces in the Far East. Those intentions are practical—and straitly limited."

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Dutch-Indonesian

THE *Christian Science Monitor* said: "To say that the action of the Netherlands Government in breaking off negotiations with the Indonesian Republic is disappointing is to put it mildly. Especially disconcerting are predictions being made in various quarters that this may lead to renewed Dutch military action against the Republic.

"There is no denying that the Dutch have had many provocations lately. A mounting series of violent incidents has made negotiations more difficult. The Netherlands blames this on political intransigence of the Republic, the Indonesians on increasing suffering which has come from what they call the Dutch economic blockade—or 'trade regulation,' as the Dutch insist it should be called.

"Yet the Security Council decided over a year ago that the situation was a threat to peace demanding UN intervention, and nothing that has happened since makes it any less of a threat or any more a matter for unilateral or military settlement by the Netherlands.

"For one thing, the communist threat to Southeast Asia is a matter of the gravest international concern. After the Dutch had first of all tended to write off Indonesian nationalism as Japanese-sponsored, they next tended to oppose it as communist-manipulated. The Republic's recent suppression of a large-scale communist revolt has exploded this theory, and recent reports from The Hague say that communism in Indonesia is now considered merely a passing phase which will be reduced, rather than stimulated afresh, by firm Dutch action. This could prove to be another costly misjudgment, affecting the stability of all Southeast Asia.

"Moreover, any Dutch military action in Indonesia would be made possible only by American Marshall Plan aid to the Netherlands. Official Dutch warning against outside intervention in the Indonesian affair is a little ironical in the light of this fact.

"Already last week, when the United States supported the Netherlands in its objection to admitting the Indonesian Republic to membership in the UN Economic Commission for Asia and the Far East (ECAFE), the two objecting nations found themselves outvoted by a solid eastern bloc composed of Australia, Burma, China, India, New Zealand, Pakistan, the Philippines—and Russia. The United States cannot afford to let itself be maneuvered into backing a forcible resistance to what may prove an irresistible tide of nationalism in Asia. The best interests of all parties concerned would be served by immediately renewed Security Council pressure for a negotiated settlement."

The *New York Times* said: "Secretary Marshall committed the United States to a peaceful solution in Indonesia, along the lines of the United Nations-sponsored Renville Agreement, in his speech in Paris in September, and the Security Council would seem to be bound to do more than sit idly by while one party to that agreement—the Dutch—unilaterally decides that it cannot be implemented."

The *Washington Star*, on the other hand, found the Republic to be a "local point of trouble and fatal handicap to the establishment of a United States of Indonesia on which the peace and recovery of the archipelago depend," and added:

"Nevertheless, the latest breakdown of negotiations is especially disappointing. . . .

"The best that can be hoped for in the immediate future is that fresh hostilities can be averted."

What Chinese Papers Say

THE widespread circulation of peace rumors and the long delay in forming a new cabinet to handle the present crisis drew much editorial comment in the Chinese press last week. Most of the papers discounted such rumors and stressed the point that Sun Fo should not dilly-dally any longer with his cabinet-forming task.

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Peace Rumors

THE Kuomintang-supervised *Shun Pao* called serious attention to the "unprecedented" crisis now confronting the "State and the people" and the "state of paralysis and inactivity" prevailing in Nanking.

Regarding peace rumors, the paper wrote: "The war has been in progress for years. Baseless political rumors have been circulated recently. A couple of politicians, reinforced by a number of news reporters who rely largely on hearsay for information, seem to be doing their best to help the Communists by carrying on a whispering campaign. The spokesman for the United States Government has already refuted current rumors on the formation of a coalition government in China. But, strangely enough, the Chinese Government was silent on this subject."

Then the paper took occasion to warn the Chinese people against wishful thinking, saying: "Normally speaking, everybody desires peace. But peace is not merely a temporary respite. Peace must go hand in hand with freedom, otherwise it may bring about enslavement. Moreover, it is impossible to talk about peace unless one still possesses the strength to fight on. Otherwise, it would not be peace, but surrender.....

"Government troops in Manchuria and Tsinan were ordered to down their arms by a few incompetent commanders who made the mistake of taking too much stock of rumors about peace and coalition government. Today, when the morale of the men in the Hsuchow-Huai River area is excellent, when our warriors are engaged in a determined fight with the bandits, it would be tantamount to acting as vanguards for the Communist propaganda corps if we should tolerate the dissemination of peace rumors. If the Central Government is determined to prosecute the war to the bitter end, it must promptly refute such rumors with concrete actions and facts."

In conclusion, the paper blamed the present debacle on political and strategic mistakes the Government has committed in recent years and pointed out that unless drastic changes are made it might be too late to save the situation: "Generally speaking, that things should have come to such a pass is due largely to political errors, strategic blunders, official corruption and inefficiency in the last few years. If the Government still fails to check the circulation of peace rumors, and if the people continue to seek a temporary respite in face of the present crisis instead of doing their best to help the war effort, history might repeat itself. In the last days of the Sung dynasty, Government leaders were fully occupied in discussing plans and programs when the Tartars were crossing the river."

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New Cabinet

THE independent *Ta Kung Pao* was rather impatient at the long delay in forming a new cabinet under Sun Fo. It attributed much of the trouble in Chinese politics to what it called the traditional policy of procrastination and taking it easy.

"Since the collapse of the Wong Wen-hao cabinet," the paper editorialized, "we have seen procrastination all round. Wong's cabinet resigned more than a month ago. Over two weeks have passed since Sun Fo was appointed the new premier. Nobody seems to know exactly when a new cabinet can be formed. In view of the present grave situation, such delay and procrastination is simply ridiculous.

"The situation is extremely critical. And precisely for this reason we must no longer adopt the policy of taking things easy and letting them work out their own solutions. The formation of the new cabinet must not be delayed any longer. The State and the people have suffered enough from procrastination in the past. Let's learn lessons from the bitter experience of the past."

Dealing with the policies of the new cabinet, the paper stressed: "The reason why the cabinets headed respectively by General Chang Chun and by Dr. Wong Wen-hao were short-lived was simply that they had no definite policies, domestic and foreign. These were anything but responsible cabinets. They were generally non-committal, always susceptible to outside influence and pressure. They indulged in procrastination and stop-gap measures, forgetting all about the wishes and demands of the people. As a result, they failed to win popular support and find any solution for the situation. And the people suffered in the long run."

The *Shang Pao* opined that the present cool attitude of the United States Government had something to do with the delay in Sun Fo's cabinet-forming.

"ECA boss Paul Hoffman issued a misleading statement in Shanghai" the paper said. "Madame Chiang Kai-shek was given a cool reception in the United States and she is making little progress in her mission. These facts contributed toward creating a feeling that a storm is gathering and may break at any time.

"What attitude has the United States assumed toward China? On the face of it, the United States continues talking about aiding China. But in actual practice, she is doing nothing at all. 'Europe First' still remains the slogan, and there is little evidence that the United States is taking an active part in developments in the Far East.

"In his handling of the China situation, Secretary of State General George C. Marshall insisted on methods other than direct military aid. When Madame Chiang was leaving this country in high spirits on her mission to the States, observers in Washington expressed the view that they did not think China's First Lady would succeed in changing the views of the policy-makers in the United States so far as the aid-China program was concerned.

"Since her arrival in the United States, Madame Chiang Kai-shek has issued several stirring appeals for aid. But reaction to her calls for help was anything but satisfactory. This brought acute disappointment not only to Madame Chiang, but also to the people of this country."

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North China

THE *Ta Kung Pao* expressed profound concern about Peiping and Tientsin and voiced the hope that everything will be done to save the two cities from destruction.

"We are perfectly sure these two cities, if spared from the horrors of the present war, will be able to make outstanding contributions to post-war reconstruction in this country by turning out a large number of scientists and technicians," the paper said. "Therefore, we believe that the fate of the two cities is uppermost in the minds of those who are concerned about the fate of China.

"Peiping is China's cultural center and Tientsin is a leading industrial base in North China. Our hearts also go out to the people in North China, who are blessed with such good virtues as sincerity, honesty and a high sense of responsibility in addition to industry, thrift, frugality and perseverance, which are common to the Chinese people as a whole.

"The placid presence of mind displayed by the people in Peiping and Tientsin presents a striking contrast to the confusion and disorder prevailing elsewhere. . . .

"But mere words serve no useful purpose. It is to be hoped that something will be done to save this cultural center and this industrial base and see to it that the long-suffering people in North China be spared from untold suffering."

Chinese Magazine Roundup

Observer

THE *Observer* magazine of December 18 carries a highly interesting report from its Nanking correspondent contrasting Communist strategy and tactics to that of the Nationalists, and pointing out that it is this marked difference which has made the war situation what it is today.

According to the magazine, the dramatic and sensational action by General Huang Po-tao in committing suicide because of the disastrous failure of the Hsuchow battle is both significant and instructive. Like the sudden death of Chen Pu-lei, trusted secretary and ghost-writer of President Chiang Kai-shek, the death of General Huang has seriously affected the morale of the Government troops.

"The rescue column under the command of General Chiu Ching-chuan was only 15 or 20 li away when General Huang Po-tao's army groups were wiped out by the Reds," the magazine reported. "This reminds us of the bitter experience of the utter destruction of the 74th Army in Shantung the year before last after which its commander General Chang Lin-fu killed himself. At that time, General Huang, then in command of the 25th Division, was ordered to rush to the rescue of General Chang Lin-fu. Huang's units were only 40 li away when Chang's doomed troops were annihilated. This may be a mere coincidence.

"If Chen Pu-lei's committing suicide has produced a far-reaching demoralizing effect on civilian Government officials, General Huang's tragic death, it must be admitted, has disastrously impaired the morale of the fighting services of the Government.

"When news reached Nanking of the death of General Huang Po-tao, there was widespread hostile criticism against General Chiu Ching-chuan, and the prospects for the Nationalists were generally felt to be gloomy.

"According to documents seized by the Nationalists, the Communists, in their resolution on the new tasks of military operations adopted June 3, 1948 at an enlarged conference of the Central Political Council, attributed Nationalist defeats to the lack of harmony between the different branches. The resolution disclosed that after a review of the 1947-48 war situation, it was unanimously agreed that the long series of defeats sustained by the Nationalists were due to non-harmony—non-harmony between different Government armies, non-harmony between Nationalist army commanders, non-harmony between the army and the Government, non-harmony between the army and the Kuomintang and non-harmony between the army and the people.

"Then the Central Headquarters of the Chinese Communists warned their organizations and army commanders against the mistakes committed by the Nationalists, and stressed that to try to get along with the people and achieve harmony is the basic condition for winning victories in this war.

"As is well known to the general public, the High Command of the Nationalists, in order to bring an early conclusion to the bandit-suppression campaign, has worked out detailed plans for total warfare. Copies of the plans have been distributed to high-ranking Government army commanders as top-secret papers. It is particularly emphasized in the total warfare program that military operations alone cannot hope to win the war with the Chinese Communists and that fighting on the political, economic and ideological fronts also has a great deal to do with determining the final outcome. . . .

"Recently, the Ministry of National Defense distributed a confidential paper for the reference of top Government army commanders, dealing with the implementation of democratic centralism in the Communist armies. New measures that have been adopted by the Reds are: 1. Complete abolition of corporal punishment and confinement for enlisted men; 2. recognition of equality in personality between officers and men, and of difference only in their respective functions; 3. complete suppression of the bad practice of rough handling of soldiers by officers, or of low-ranking officers by high-ranking officers; 4. recognition of the fact that the enlisted men are fighting for the State and for the people, and not for the officers; 5. strengthening of military discipline on the basis of self-criticism and self-respect; 6. launching a respect-functionaries and love-soldiers movement...."

* * *

New Road

IN view of the present talk about the possible withdrawal of the Nationalists to Kwangtung to continue their fight with the Chinese Communists, it is interesting to read an article in the *New Road* of December 18, giving a detailed account of the conditions in Kwangtung under T. V. Soong.

"T. V. Soong has shouldered a heavy responsibility for building up a base for rear-guard actions," the article states. "He not only controls the people but he also supervises the army. His authority to issue local orders far exceeds that of General Fu Tso-yi in North China. In defiance of Nanking's unified air force system, T. V. has created his own air force by purchasing helicopters from the United States. He also took advantage of the currency reform to buy large sums of Hongkong dollars.

"The Control Yuan has long regarded T. V. as a big-shot bureaucrat, and Kwangtung has been known as the headquarters of bureaucratic capital. But T. V. simply pooh-poohed the idea. Addressing the provincial council, he said that although he had been in Kwangtung more than a year, he did not know who were bureaucratic capitalists. He advised the gentlemen of the council not to be taken in by Communist flapdoodle about bureaucratic capital.

"The Control Yuan has already formally impeached T. V. for illegally using the money of the Kwangtung Provincial Bank to buy Hongkong dollars on the eve of the currency reform under the pretext of purchasing rice for the people. Although nothing will come of this impeachment, it is interesting to watch this unpleasant muck-raking.

"Kwangtung is terribly short of rice. The excuse of using Government money to buy rice is of course plausible. The fertile fields in Kwangtung are located in the several districts in the delta at the mouth of the Pearl River, where there are 40,000 mou of rich paddy fields with an annual crop of 4,000,000 catties of rice. The city of Canton and other districts in central Kwangtung depend on this delta for their supply of rice. But, in this delta, the price of rice is terribly low, so much so that the farmers have suffered beyond description. It is said that rice prices are far below other commodities. If there is any profit to make, it certainly goes into the pockets of the merchants and has nothing whatsoever to do with the long-suffering and overworked farmers, who toil all the year around without being able to have a 'full belly and warm back.' Such being the case, it is not surprising to see these poor down-trodden tillers of the soil in the delta feel bitter and resentful.

"T. V. made lots of easy money in the course of the recent currency reform by fishing in troubled waters. ....The Chinese people are in desperate straits. T. V.'s three daughters are living in the United States. They don't like to speak Chinese. Although T. V. and his wife are now in China for the time being, their life is well above the American standard. We wonder whether he really has had any thought of the livelihood of the law-abiding people in Kwangtung. He has gone to Kwangtung like the manager of a new East India Company. But as things stand today, gold diggers are doomed to failure."

US Magazine Roundup

Time

GENERALISSIMO Chiang Kai-shek is the subject of *Time* magazine's cover story (December 6, 1948). *Time* says his prestige has sunk to the point where, in the words of one American, Chinese "feel toward him as Americans felt toward Herbert Hoover in 1933."

Only a miracle can save Chiang's regime, *Time* says: "If the Gimo could hold his country together awhile, and if Madame Chiang could change US policy, it would be a double miracle. If that double miracle did not occur, then an era would have ended.

"For China it had been an era of feverish surface progress. 'Westernization' had brought plumbing, the beginnings of legislative government and mass education; it had also brought machine guns and Christianity and Karl Marx. Chiang Kai-shek had been a part of all of it; the era's story was his story."

Time begins Chiang's story at the time when, as a young military student in Tokyo, he met Sun Yat-sen and joined his new Kuomintang party. Chiang, like Sun Yat-sen, "accepted the Russians at first. He went to Moscow in 1923 to study Russian military setups. He learned enough to organize China's own Whampoa Military Academy when he got back. That was not all he had learned. Chiang wrote:

"'I admired in those days the whole revolutionary attitude of the Communists. . . When I arrived in Russia, after making a careful investigation of conditions there, I must admit that all my hopes about the revolution were blasted. I was convinced that the aims which the Communists struggled for could not be attained through the methods they used.'"

When, in 1927, *Time* continues, the Communists "got orders from Moscow . . . to become the Kuomintang's master instead of its ally . . . Chiang moved first. His army scattered the Chinese Communists into the hills of Kiangsi and Fukien provinces."

After describing the years of battle between Chiang's armies and the Communists, followed by the long march of the latter to Shensi province, *Time* says:

"By this time Chiang had become a world figure. But to 80 percent of the Chinese people—the peasants—he was still little known. Their attitude could be expressed in the bitter story of the farmer whose homestead had been overrun by both the Nationalists and the Communists. 'Which side,' he was asked, 'is better?'

"'They are both good,' deadpanned the peasant. 'Only the people are bad.'"

The years during which Chiang was fighting the Communists, *Time* continues, also saw progress along the lines of Westernization: "These were the years of new railways, roads, schools, flood control, famine-fighting agencies." Chiang married "a daughter of famed 'Old Charlie' Soong, who had made his first fortune in printing and selling Chinese Bibles," and "added the Bible to his readings of the Chinese classics."

After 1931, when the Japanese occupied Manchuria, popular pressure to fight Japan increased, and, in 1936, the Nationalist garrison at Sian "refused to fight 'fellow Chinese' any longer." Chiang flew to Sian and was made prisoner.

Time relates of this incident: "When shooting broke out the night of his arrest, Chiang leaped from a rear window in his underwear. He scaled a ten-foot wall, stumbled into a deep moat and wrenched his back but climbed out and ran until he fell again, tripped by brambles in the darkness. He lost his false teeth. When overtaken, he once more insisted on being shot or sent back to Nanking.

"The mutineers read Chiang's private diary; there, it appeared, Chiang showed as much determination to fight Japan as they had themselves. A consultation took place among the captors. Communist General Chou En-lai was invited over from the Red positions nearby. His instructions from Moscow: Chiang was to be returned to Nanking."

When the eight years of war against Japan had ended, *Time* goes on, Chiang "turned to reconstruction," only to find that Manchuria had been "snatched from China's hand." The Chinese Communists, moreover, "had fought a thoughtful war against Japan. They avoided direct battle, conserved their strength to use against Chiang . . .

"The US sent a succession of special envoys, including General George C. Marshall, to mediate between Chiang and Mao Tse-tung. US mediation merely succeeded in holding up Chiang's forces for nine months in 1945-46 while the Reds dug in.

"When the Communists seized Changchun, Harbin and Tsisihar, Chiang ordered an all-out offensive. Was he wrong? Was a 'military solution' (in the language of US experts in China) ever possible? Or should Chiang have admitted Communists into his government—while allowing them to keep separate, Red-commanded army divisions?"

Time concludes its study with this appraisal of Chiang's character: "Chiang Kai-shek is a man of principle, not an opportunist, not a warlord, not (his enemies finally admitted) a grafter. His principles, however, are not always clear or consistent. The conflict between the old and new, unresolved in China, is also unresolved in China's Chiang. He had been right so often, when those around him were wrong, that taking advice did not come easily to him. Three times—from Canton, from Sian, and from Chungking—he had fought his way out of hopeless situations. Such experience might breed arrogance, and many believe that Chiang is arrogant, narrow, unimaginative—the victim of his own frozen will.

"Yet a streak of humility remains. He showed it recently when he and Madame Chiang, with sons Ching-kuo and Wei-kuo, went over to the Christian church which the Gimo had presented to Nanking. No pastor was present. The Gimo himself preached a little sermon, taking his text from *I Chronicles*: 'As for me, I had in mine heart to build an house of rest for the ark of the covenant of the Lord . . . But God said unto me, Thou shalt not build an house for my name, because thou hast been a man of war . . .' Jehovah had willed the assignment to Solomon. The Gimo derived the lesson: 'Man proposes but God disposes.'"

* * *

United States News And World Report

THE December 17, 1948 issue of *United States News and World Report*, discussing Madame Chiang Kai-shek's visit to the United States, calls it an "obviously forlorn errand."

"She is as witty, as charming and as popular with American officials as ever. But the latter just would not listen when she wants to talk of the object of her trip . . . In the capital, whose attitude is changing, Madame Chiang is proving to be an embarrassing guest. To United States officials, the whole situation is painful."

The article points out that while the United States leaders do not want to see a Communist China, they do not believe that much will be gained by increasing the $2,000,000,000 aid the US has sent to President Chiang since the war.

According to Army men's estimates it would take 50 to 75 divisions to defeat the Chinese Communists, and a year would be needed to organize and train such a force.

The article says it is feared lesser assistance to China would be of no use, while aid on such a tremendous scale might bring Russia into open support of the Communists, thus leading to the possibility of a third world war.

The magazine predicts that President Chiang will "continue to receive bits and pieces of help of the sort he has been getting. But in the opinion of those close to the situation, the United States cannot do enough to save him. In the end, however reluctantly, this country may have to cut Chiang adrift."

The Review's English Lesson—LXIII

THIS week, we shall undertake to explain some words sent in by Mr. Tai Tung San. But before we get around to Mr. Tai's queries, we'd like to take exception to something we heard over the radio the other day. A lady was explaining the meaning of the phrase, *the whole shooting match*, which evidently occurs in some play or story. One of the characters, referring to a factory, says that the whole shooting match will be lost. The lady elaborately explained 'shooting' as 'going up with a bang,' if we remember correctly, and 'match' as 'factory.' The point is, that such an idiomatic expression cannot be 'explained' by taking its parts separately; the phrase has nothing to do with shooting, as such, and it does not necessarily refer to a factory. It means, simply, 'the whole thing,' 'the whole affair.' Why 'shooting match,' which originally meant a hunting party, should have come to be used in this way, we don't know; perhaps one of our readers can give us in answer. And now to Mr. Tai's questions:

Amok: preferred spelling is 'amuck'. This word comes from the Malay 'amoq', meaning 'furious', and is generally used to describe ungoverned, murderous fury. 'The troops ran amuck, killing and looting.'

Saboteur: from the French 'sabot', wooden shoe. One who destroys an employer's machines (and, by extension, one who works against any plan or design, and tries to prevent its success). It is said that French workers would take reprisals against employers by using their wooden shoes to damage machinery.

Petropolis: from Greek 'petra', rock, or 'petros', stone; and 'polis', city; literally, then, 'Stone City'.

Prerogative: from Latin, 'praerogare', to ask before (another). A right to exercise a power or privilege in priority to, or to the exclusion of, others; especially a right attached to an office or rank, as 'the royal prerogative,' the special privileges enjoyed by the king over, or before, his subjects. One can say, for example, 'corrupt officials exercise their prerogatives to enrich themselves at the expense of the people.'

Dinosaur: from the Greek 'deinos', terrible, and 'sauros', lizard. Any of a group of extinct reptiles varying in length from two to 90 feet, with limbs and a long tapering tail. Sometimes used to emphasize the antiquity or uselessness of ideas, etc.: 'As extinct as the dinosaurs.'

Hullabaloo: A confused noise; uproar. 'The sale of gold by the banks caused a great hullabaloo in the streets.'

Quintuplet: One of a set of five; used in the plural (quintuplets), refers to five children born in the same labor, for example, the famous Dionne quintuplets of Canada.

Upheaval: An upturning or overthrowing, either of the earth, as in an earthquake, or in society. 'China is at present undergoing a violent social upheaval.'

Blitzkreig: from the German 'Blitz', lightning, and 'Kreig', war; used by the Nazis in the last war to denote their method of crushing armed (or unarmed) opposition in the field.

Soccer: a kind of football, in which all use of the arms or hands is forbidden except to the goalkeeper.

Afforestation: conversion into wooded lands; planting extensively with trees.

Cahoot: a slang term meaning partnership, collusion; generally used as 'in cahoots'. 'After the robbery, it was discovered that the thieves had been in cahoots with the guard.'

Dopester: one who judges, guesses or predicts the result of, as by the aid of special information. 'The dopesters were all confounded by Truman's success in the last Presidential election.' Here, 'dopesters' refers of course to the 'public opinion poll takers' and most of the news commentators, who had all given Dewey the election.

Metropolitan: from Greek, 'meter' mother, and 'polis' city: the 'mother city', or the city-state of which the ancient Greek was a citizen. 'Metropolis' has come to mean any very large city, as London, New York, or Shanghai; 'metropolitan', pertaining to such a large city.

Agronomy: from two Greek words meaning 'to manage fields'; the theory and practice of field-crop production and soil management.

Bon sens: a French phrase meaning good sense, intellect, reason, understanding, etc. Its use in English is unfamiliar to us.

Dossier: from the French, meaning a bundle or file of papers containing a detailed report or information; hence, a lawyer's brief, or a police or other official file concerning some person's or group's activities.

We thank Mr. Tai for his interest in these lessons, and for sending in his questions. But we suggest to him, and to other readers, that it is better to include the word or phrase enquired about in a sentence. Mr. Tai included three words in his list: 'craesuse,' 'sawah' and 'mouvementeo,' of which we are ignorant: our dictionary is too small to stand the strain, or perhaps a different spelling is required. Can Mr. Tai clarify these words for us? Or perhaps other readers can enlighten us.

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